Form ADV Part 2 Brochure

ITEM 1 – COVER PAGE

This brochure provides information about the qualifications and business practices of Silvercrest. If you have any questions about the contents of this brochure, please contact us at 212-649-0600. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Silvercrest is also available on the SEC's website at www.adviserinfo.sec.gov.

We are a registered investment adviser with the Securities and Exchange Commission. Our registration as an Investment Adviser does not imply any level of skill or training. This document is not an offer to sell securities or provide any investment services.

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ITEM 2 – MATERIAL CHANGES

Material Changes

This Form ADV Part 2 Brochure contains the following changes from the prior filing of September 2013:

- Amending Item 4 to update the amount of assets under management and clarify Silvercrest's services with respect to assets under its management.
- Amending Item 8 to describe the Silvercrest Liquid Hedge Portfolio Advisory service.
- Amending Item 8 to describe in more detail the types of securities in which the funds in which Silvercrest International Fund, L.P. invests and the types of risk associated with those securities.
- Amending Item 16 to clarify Silvercrest's services with respect to assets under its management.

Though those are the only changes since the last version, if you received that version, we recommend that you read this document in its entirety.

If you would like another copy of this brochure, please download it from the SEC's website as indicated above or send an electronic mail request to adv@silvercrestgroup.com.

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ITEM 4 – ADVISORY BUSINESS

The Firm

Silvercrest Asset Management Group LLC ("Silvercrest") provides asset management and family office services to families and select institutional investors.

Silvercrest currently advises on $15.3 billion for a clientele comprised primarily of families, as well as endowments, foundations and other institutional investors. Silvercrest's family office, advisory and investment capabilities are available to clients interested in investing substantial assets. Of the $15.3 billion, Silvercrest has been granted discretionary authority over $10 billion. In accordance with its fiduciary duty as to some of those $10 billion of assets, Silvercrest may recommend to clients that they invest in a private fund managed on a discretionary basis by a third party. As to the remaining $5.3 billion of the assets, Silvercrest provides non-discretionary advice, reporting services or has another role in managing them.

To the extent Clients' assets are held in separately managed accounts, they are generally managed on a fully discretionary basis where Silvercrest makes all decisions as to which securities are bought or sold and/or the total amount bought or sold. Silvercrest tailors its advisory services to the individual needs of its clients. Silvercrest's portfolio managers apply specific objectives and guidelines for each client portfolio which they are responsible for managing. Clients may impose restrictions on investing in certain types of securities. If a client wishes to limit the portfolio manager's discretion in any way, the limitation will be contained in the client's investment objectives and guidelines.

Silvercrest's investment capabilities include equity management, fixed-income management, outsourced investments and alternative investments. Silvercrest acts as advisor to certain of the alternative investment products, which include private funds and funds of funds. Silvercrest also serves as sub-advisor to a registered fund.

Silvercrest also provides institutional investors with independent, investment-driven risk analytics, due diligence and custom portfolio advisory support. Risk advisory services are based on both quantitative and qualitative analyses, including Value at Risk ("VaR"), stress testing, Monte Carlo simulation and most common risk metrics. Due diligence services comprise best practices for review of operational and investment diligence.

Silvercrest was established in 2001. It is a wholly-owned subsidiary of Silvercrest L.P. The general partner of Silvercrest L.P. is Silvercrest Asset Management Group Inc., which is a publicly-traded C corporation (NASDAQ symbol SAMG). Class A Common Shares of SAMG are owned by the investing public, Class B Common Shares are owned by employees of Silvercrest.

ITEM 5 - FEES AND COMPENSATION

I. Separately Managed Accounts

A. Silvercrest's Basic Annual Fee Schedule for management of clients' assets in separately managed accounts is as follows:

- For managed equity or balanced portfolios:

  1% on the first $10 million
  .60% on the balance

- For managed fixed income only portfolios:

  .40% on the first $10 million
  .30% on the balance

- For managed cash only portfolios:

  .20%

- For the Silvercrest Municipal Value strategy:

  .65%

Most clients' fees are charged quarterly in advance although a number of clients pay in arrears. Fees are negotiable for larger amounts and under special circumstances. Silvercrest generally prefers that a client invest a minimum of $5 million to open a separately managed account. However, accounts of less than these amounts may be accepted if they are part of a larger relationship, related to one of the employees of the firm, or under other circumstances. Accounts may be terminated at any time by either party in accordance with the notice provisions set forth in the client's advisory contract.

Clients that terminate their relationship with Silvercrest will be refunded any pre-paid unearned fees prorated from the date of termination. At the end of each quarter, clients who paid in advance for that quarter will (i) receive a pro-rata credit if they made a net withdrawal of assets that exceeded 10% of the total value of their account as of the close of the prior quarter, or (ii) pay an additional pro-rata amount if they made a net contribution of assets that exceeded 10% of the value of their account as of the close of the prior quarter.

B. Other Fees and Expenses Associated with Separately Managed Accounts

Each client's arrangement with its respective custodian is made between that client and his or her custodian. Clients will pay brokerage commissions to the broker-dealers that execute transactions for client accounts. Silvercrest is not and is not affiliated with a broker-dealer. Further discussion of charges associated with broker-dealers is included in Item 12 of this document, entitled *Brokerage Practices*. To the extent client assets are invested in money market mutual funds, exchange-traded funds, or other registered investment companies for which Silvercrest is not the sub-advisor, the client will bear its *pro rata* share of the investment management fee and other fees of the fund, which are in addition to the investment management fee paid to Silvercrest.

II. Other Services

Silvercrest provides clients with a number of services not involving the discretionary management of securities. These include Family Office Services such as asset allocation, bill paying, budgeting, record keeping, maintenance of domestic payroll, tax planning and tax return preparation and payments, financial planning, oversight of alternative investments, and other similar services. The fees for these services are quoted in advance depending upon a client's circumstances and the actual services requested.

III. Fund Advisory Services

A. Fees Detailed by Fund

Silvercrest serves as advisor to certain alternative investment products, which include private funds and funds of funds (the "Funds"). It also serves as sub-advisor to the ASTON/Silvercrest Small Cap Fund, a mutual fund registered under the Investment Company Act of 1940. Information regarding the fees, charges and expenses for each of the Funds and the ASTON/Silvercrest Small Cap Fund is set forth below. Following the discussion of fees by Fund is a discussion of the various fees, expenses and other charges that are paid by all of the Funds.

1. <u>Silvercrest Hedged Equity Fund, L.P. and Silvercrest Hedged Equity Fund (International), Ltd. (together, "SHEF")</u>

In connection with its role as advisor to SHEF, Silvercrest is entitled to compensation in the form of a management fee (the "SHEF Management Fee"). The SHEF Management Fee will be payable by SHEF, solely out of its assets, monthly, in advance, at an annual rate equal to 1.50% of SHEF's Net Worth on the first business day of the month.

The "Net Worth" of SHEF is equal to the estimated value of its total assets minus the estimated sum of its total liabilities (including reserves for taxes), as of the pertinent valuation date, based on the net asset values reported to it by the underlying funds in which SHEF invests. The SHEF Management Fee is expected to be waived with respect to subscriptions by certain employees and/or affiliates of Silvercrest.

2. <u>Silvercrest Emerging Markets Fund and Silvercrest Emerging Markets Fund (International) (together, "SEMF")</u>

Silvercrest is entitled to compensation in the form of a management fee (the "SEMF Management Fee"). A discussion of the SEMF Management Fee is set forth below.

The Management Fee will be payable by SEMF, solely out of its assets, monthly, in advance, at an annual rate equal to 1.50% of the Net Assets of SEMF on the first business day of the month. "Net Assets" for purposes of SEMF is defined as the total assets of SEMF less total liabilities of SEMF. The SEMF Management Fee is expected to be waived with respect to subscriptions by certain employees and/or affiliates of Silvercrest. Further, Silvercrest may, in its sole discretion, waive or reduce the SEMF Management Fee otherwise due with respect to any unit holder's investment.

SEMF pays Silvercrest (or a person or entity designated by SEMF) an annual Administration fee (the "SEMF Administration Fee") in an amount equal to either (i) 0.010% of the net assets of SEMF or (ii) $42,000, whichever is the greater. The SEMF Administration Fee is paid promptly at the beginning of each calendar quarter and is calculated based on the net assets of SEMF as of the beginning of such quarter. If additional contributions are made to SEMF during the quarter, the SEMF Administration Fee will be prorated and charged at the time of such contribution. The SEMF Administration Fee is deducted in determining the net profit or net loss of SEMF. In the event SEMF is not in existence for the entire calendar quarter, the SEMF Administration Fee for such quarter shall be prorated. Silvercrest, in its sole discretion, may waive or reduce the SEMF Administration Fee to be paid by employees, affiliates or relatives of Silvercrest or trusts for the benefit of such persons.

3. Silvercrest Global Opportunities Fund, L.P. ("SGOF")

(a) Management Fee

Silvercrest, either itself or through its affiliate, Silvercrest Investors LLC, (the "General Partner") will receive a monthly management fee (the "SGOF Management Fee"), and may receive a performance allocation (the "SGOF Performance Fee"), when applicable. A discussion of the performance allocation is set forth in Item 6 of this document, entitled *Performance-Based Fees and Side-By-Side Management*. A discussion of the SGOF Management Fee is set forth below.

The monthly management fee is calculated and payable in advance on the first business day of each month, and is equal to one-twelfth of 1.25% of the net worth of each Class A limited partner's capital account as of the first business day of such month (including the value of any Partnership DI Account(s) (as defined below) attributable to the Class A limited partners) (the "SGOF Management Fee"). The SGOF Management Fee will be payable in U.S. Dollars, normally within ten (10) days after the beginning of each month. The SGOF Management Fee will be calculated after taking into account reductions of the relevant capital account(s) as a result of withdrawals, in each case as of the end of the prior month, and increases in the relevant capital account(s) as a result of subscriptions for Class A interests, in each case as of the beginning of such month. In addition, the SGOF Management Fee will be prorated for such reductions and/or increases during any month and for any month during which Silvercrest does not serve as the investment manager of SGOF for the entire month. Accordingly, in the event of any such intra-month reduction or where Silvercrest does not serve as the investment manager of SGOF for the entire month, Silvercrest will refund a pro rata portion of the SGOF Management Fee for such month to the applicable Class A limited partner, in each case without interest. For purposes of determining the SGOF Management Fee, each DI Account will be valued at its last reported value.

For the avoidance of doubt, any portion of the SGOF Management Fee attributable to a Partnership DI Account will be debited against the net worth of each capital account from which the amounts in such Partnership DI Account had been originally allocated.

If, after giving effect to a withdrawal, a Class A limited partner would continue to own an interest in one or more Partnership DI Accounts but otherwise would have fully withdrawn the value of such Class A limited partner's Class A interest, Silvercrest Investors LLC, the General Partner, in its sole and absolute discretion, may reserve or hold back from the withdrawal proceeds payable with respect to such withdrawal, such amount as the General Partner, in consultation with Silvercrest, deems sufficient to cover the SGOF Management Fee expected to be payable over the life of each such Partnership DI Account (with respect to each relevant Class A shareholder, the "SGOF Management Fee Reserve"). The SGOF Management Fee Reserve will earn interest at a rate equal to the average yield on SGOF’s cash and cash equivalents for the period from the applicable withdrawal date until the date the SGOF Management Fee Reserve is used. Generally, any unused portion of the SGOF Management Fee Reserve will be paid to the Class A limited partner upon a Realization Event (defined below) with respect to the relevant Partnership DI Account(s). To the extent the SGOF Management Fee Reserve and any interest thereon does not cover the SGOF Management Fee that is due in any year during the life of a Partnership DI Account, SGOF will send a periodic statement to the relevant Class A limited partner providing for the payment of the SGOF Management Fee, which will be due within fifteen (15) days of receiving such statement. If the full amount of the shortfall due and owing is not paid, the General Partner, in its sole and absolute discretion, may reduce the amount of any subsequent withdrawal proceeds paid to such Class A limited partner by an amount equal to the unpaid shortfall, together with interest accrued at a rate equal to the average yield on SGOF's cash and cash equivalents plus 3%.

In addition, if a Class A limited partner withdraws the full value of its capital account while such Class A limited partner owns an interest in a Partnership DI Account, the General Partner may establish a reserve from the withdrawal proceeds to pay for future expenses attributable to such Partnership DI Account.

For the avoidance of doubt, the General Partner, in consultation with Silvercrest, may waive, reduce or rebate any SGOF Management Fee attributable to any Class A interest, including, without limitation, any Class A interest attributable to any employee, agent or affiliate of Silvercrest or the General Partner. Silvercrest, in its sole and absolute discretion, may also pay a portion of the SGOF Management Fee to certain limited partners and/or other third parties.

A "Realization Event" occurs with respect to a Partnership DI Account when SGOF is able to redeem its interest in the related DI Account from the applicable underlying fund or the General Partner otherwise determines that SGOF's interest in the DI Account should no longer be held in a Partnership DI Account (as defined below). A “Partnership DI Account” is an account into which SGOF may, in the discretion of the General Partner, place its interest in a DI Account. A “DI Account” is a separate special account into which the manager of an underlying fund may place securities or other financial instruments which such manager determines are difficult to value and/or not readily marketable, or should be held until the resolution of a special event or circumstance.

(b) Expenses

SGOF has incurred Organizational Expenses and will incur Investment Expenses and Administrative Expenses. The term "Organizational Expenses" means the expenses incurred by SGOF in connection with its organization. The term "Investment Expenses" means the expenses associated with the investment program of SGOF which includes, without limitation: (i) the fees and expenses charged by designated managers to SGOF, which include, but are not limited to, brokerage expenses, administrative expenses, a percentage of assets under management, a percentage of profits, a fixed fee or a combination thereof; and (ii) any fees and expenses incurred in connection with any credit facility established by SGOF, as applicable. Investment Expenses also include the SGOF Management Fee. The term "Administrative Expenses" means SGOF's accounting, legal, audit and other operating expenses and all expenses incurred in connection with the offer and sale of interests in SGOF. SGOF will bear its own Organizational Expenses, Investment Expenses and Administrative Expenses.

The General Partner will initially pay all of SGOF's Organizational Expenses and will be reimbursed by SGOF for all such Organizational Expenses. SGOF may amortize such Organizational Expenses for accounting purposes over a period of sixty months from the date SGOF commences operations, or such other period of time as determined by the General Partner. The General Partner believes that amortizing such Organizational Expenses, as applicable, is in conformance with industry standards and is more equitable than expensing the entire amount during the first year of operations, as is required by United States generally accepted accounting principles ("GAAP"). Accordingly, the auditor's opinion on SGOF's financial statements may contain a qualification to reflect this treatment. In such instances, SGOF may decide to: (i) avoid the qualification by recognizing the unamortized expenses; (ii) make GAAP conforming changes for financial reporting purposes, but amortize expenses for purposes of calculating SGOF’s net worth; or (iii) allow the auditor's opinion on SGOF's financial statements to contain such a qualification. There will be a divergence between SGOF 's net worth and the net worth reported in SGOF's financial statements, as applicable, in any fiscal year where, pursuant to clause (ii), GAAP conforming changes are made only to SGOF’s, as applicable, financial statements for financial reporting purposes. If a Class A limited partner makes a withdrawal from its capital account prior to the end of the 60-month period during which SGOF is amortizing Organizational Expenses, SGOF may, but is not required to, accelerate a proportionate share of the unamortized expenses based upon the value being withdrawn and reduce withdrawal proceeds by the amount of such accelerated expenses. In addition, in the event that SGOF is wound up before such expenses are fully amortized, the unamortized portion of such expenses will be accelerated and debited against the Partnership's assets at such time.

Expenses specifically attributable to a specific class of interests shall be charged solely to such class of interests. In addition, expenses relating specifically to a Partnership DI Account will be charged only to the capital accounts from which the assets of such Partnership DI Account were allocated. The General Partner, in its sole and absolute discretion, may allocate ordinary and recurring expenses that are not materially increased by the existence of any Partnership DI Account pro rata among all the capital account(s), excluding their interest in any corresponding Partnership DI Account.

SGOF pays Silvercrest (or a person or entity designated by SGOF) an annual Administration fee (the “SGOF Administration Fee”) in an amount equal to either (i) 0.010% of the net assets of

SGOF or (ii) $42,000, whichever is the greater. The SGOF Administration Fee is paid promptly at the beginning of each calendar month and is calculated based on the net assets of SGOF as of the beginning of such month. If additional contributions are made to SGOF during the month, the SGOF Administration Fee will be prorated and charged at the time of such contribution. The SGOF Administration Fee is deducted in determining the net profit or net loss of SGOF. In the event SGOF is not in existence for the entire calendar quarter, the SGOF Administration Fee for such quarter shall be prorated. Silvercrest, in its sole discretion, may waive or reduce the SGOF Administration Fee to be paid by employees, affiliates or relatives of Silvercrest or trusts for the benefit of such persons.

4. Silvercrest Select Growth Equity Fund, L.P. ("SSGEF")

(a) SSGEF Management Fee

Silvercrest is entitled to receive an annual management fee (the "SSGEF Management Fee") of 1% of the net assets of SSGEF, allocable pro rata to the limited partners. A discussion of all fees in connection with SSGEF is set forth below.

The SSGEF Management Fee will be payable by SSGEF, solely out of its assets, quarterly, in advance, at an annual rate equal to 1% of the Net Assets of SSGEF on the first business day of the month. Silvercrest, in its sole discretion, may waive or reduce the SSGEF Management Fee to be paid by employees, affiliates or relatives of Silvercrest or trusts for the benefit of such persons.

(b) Expenses and Costs

The investment approaches of the investment managers with which SSGEF may invest may involve a high level of trading and turnover of investments which may generate substantial transaction costs which will be borne directly or indirectly by SSGEF, although Silvercrest will bear SSGEF's pro rata share of investment managers' fees (including incentive fees, if applicable).

Silvercrest is authorized to incur and pay, in the name and on behalf of SSGEF, all expenses which it deems necessary or advisable. Silvercrest will be responsible for and shall pay, or cause to be paid, all Office Overhead Expenses. For this purpose, Office Overhead Expenses for any fiscal year include overhead expenses of an ordinarily recurring nature such as rent, supplies, secretarial expenses, stationery, charges for furniture and fixtures, employee insurance, payroll taxes, compensation of analysts and other personnel. All other expenses will be borne by SSGEF, including legal, accounting, auditing and other professional fees, investment expenses such as commissions, research expenses, interest on margin accounts and other indebtedness, custodial fees, bank service fees and other reasonable expenses related to the purchase, sale or transmittal of partnership assets, as shall be determined by Silvercrest in its sole discretion, as well as its pro rata share of the expenses associated with investing with the investment managers.

The organizational expenses of SSGEF (other than state filing expenses incurred with respect to the initial offer and sale of limited partnership interests) were borne by Silvercrest. Silvercrest shall also bear any management fees charged by the investment managers retained by SSGEF.

SSGEF typically will enter into arrangements with investment managers that provide that the investment managers will be compensated based on net assets under management. However, SSGEF may, from time to time, enter into arrangements with investment managers that provide for the investment manager to be compensated, in whole or in part, based on the appreciation in value (including unrealized appreciation) of the account during specific measuring periods. Moreover, in certain infrequent cases, investment managers may be paid a fee based on appreciation during the specific measuring period, without taking into account losses occurring in prior measuring periods, although Silvercrest anticipates that most, if not all, investment managers who charge such fees will take into account prior losses. Such performance fee arrangements may create an incentive for such investment managers to make investments that are riskier or more speculative than would be the case in the absence of such performance-based compensation arrangements.

SSGEF may be required to pay an incentive fee or allocation to the investment managers who make a profit for SSGEF in a particular fiscal year even though SSGEF may in the aggregate incur a net loss for such fiscal year.

SSGEF pays Silvercrest (or a person or entity designated by SSGEF) an annual Administration fee (the "SSGEF Administration Fee") in an amount equal to

- .35% on the first $5,000,000 of net assets
- .30 on the next $5,000,000
- .25% thereafter

The SSGEF Administration Fee is paid promptly at the beginning of each calendar quarter and is calculated based on the net assets of SSGEF as of the beginning of such quarter. If additional contributions are made to SSGEF during the quarter, the SSGEF Administration Fee will be prorated and charged at the time of such contribution. The SSGEF Administration Fee is deducted in determining the net profit or net loss of SSGEF. In the event SSGEF is not in existence for the entire calendar quarter, the SSGEF Administration Fee for such quarter shall be prorated. Silvercrest, in its sole discretion, may waive or reduce the SSGEF Administration Fee to be paid by employees, affiliates or relatives of Silvercrest or trusts for the benefit of such persons.

5. Silvercrest Municipal Special Situations Fund, LLC and Silvercrest Municipal Special Situations Fund II LLC (together "SMSSF")

(a) Fees

Silvercrest is entitled to compensation in the form of a management fee (the "SMSSF Management Fee") and a performance allocation (the "SMSSF Performance Fee"), when applicable. A discussion of the performance allocation is set forth in Item 6 of this document, entitled *Performance-Based Fees and Side-By-Side Management*. A discussion of the SMSSF Management Fee is set forth below.

The SMSSF Management Fee will be payable by SMSSF, solely out of its assets, quarterly, in arrears, at an annual rate equal to .75% of the Net Assets of SMSSF on the last business day of the quarter. “Net Assets” for purposes of SMSSF is defined as the total assets of SMSSF less total liabilities of SMSSF. To the extent that members withdraw from SMSSF during a quarter, the SMSSF Management Fee attributable to such withdrawal will be payable by SMSSF at the time of such withdrawal. The SMSSF Management Fee is expected to be reduced with respect to subscriptions by certain employees and/or affiliates of Silvercrest. Further, Silvercrest may, in its sole discretion, waive or reduce the SMSSF Management Fee otherwise due with respect to any member’s investment.

(b) Expenses

SMSSF generally pays all of its organizational and operating expenses. Organizational expenses include, but are not limited to, legal fees and accounting fees. Organizational expenses may, to the extent they are not material, be amortized on a straight-line basis over five years. If the organization expenses have not been amortized, Silvercrest may, to the extent they are not material, allocate a portion of such expenses to investors who are admitted after the initial closing date. Operating Expenses include, but are not limited to, brokerage commissions and other charges for transactions in securities and other instruments, insurance costs, administration fees and expenses, custody fees and expenses, legal, tax and accounting fees and expenses, audit fees, consulting and recording fees and expenses and servicing fees. SMSSF also bears its own SMSSF Management Fee and all extraordinary expenses, including, without limitation, litigation fees and expenses.

Silvercrest is responsible for its expenses, including its general overhead, salaries, employee benefits and travel expenses of its employees and certain of its affiliates and will be reimbursed by SMSSF for all non-investment advisory expenses it or its affiliates incur on behalf of SMSSF.

(c) Administration Fees

SMSSF pays Silvercrest (or a person or entity designated by SMSSF) an annual Administration fee (the “SMSSF Administration Fee”) in an amount equal to either (i) 0.08% of the net assets of SMSSF or (ii) $32,000, whichever is the greater. The SMSSF Administration Fee is paid promptly at the end of each calendar quarter and is calculated based on the net assets of SMSSF as of the beginning of such quarter. If additional contributions are made to SMSSF during the quarter, the SMSSF Administration Fee will be prorated and charged at the time of such contribution. The SMSSF Administration Fee is deducted in determining the net profit or net loss of SMSSF. In the event SMSSF is not in existence for the entire calendar quarter, the SMSSF Administration Fee for such quarter shall be prorated. Silvercrest, in its sole discretion, may waive or reduce the SMSSF Administration Fee to be paid by employees, affiliates or relatives of Silvercrest or trusts for the benefit of such persons.

6. <u>Silvercrest Municipal Advantage Portfolio P LLC (“SMAPP”)</u>

(a) SMAPP Management Fee

Silvercrest is entitled to compensation in the form of a management fee (the “SMAPP Management Fee”). SMAPP invests substantially all of its assets in the Silvercrest Municipal Advantage Master Fund, a Delaware limited liability company (the “Master Fund”). The SMAPP

Management Fee will be payable by SMAPP, solely out of its assets, quarterly, in arrears, at an annual rate equal to 0.80% of the Feeder Fund's Net Assets up to, and including, $100,000,000, and at an annual rate equal to 0.75% of the Feeder Fund's Net Assets above $100,000,000. "Net Assets" for purposes of SMAPP is defined as the total assets of the Feeder Fund less total liabilities of the Feeder Fund. To the extent that members withdraw from the Feeder Fund during a quarter, the SMAPP Management Fee attributable to such withdrawals will be payable by the Feeder Fund at the time of such withdrawals. The SMAPP Management Fee is expected to be reduced with respect to subscriptions by certain employees and/or affiliates of Silvercrest. Further, Silvercrest may, in its sole discretion, waive or reduce the SMAPP Management Fee otherwise due with respect to any member's investment.

(b) Expenses

The Master Fund generally pays all of the organizational and operating expenses of SMAPP (which expenses are, in turn, borne by SMAPP as a member of the Master Fund, on a pro rata basis). Organizational expenses include, but are not limited to, legal fees and accounting fees. Organizational expenses may, to the extent they are not material, be amortized for accounting purposes on a straight-line basis over five years with such amortization commencing on the first day of the fifth quarter following the initial closing date. If the organizational expenses have not been amortized, Silvercrest may, to the extent they are not material, allocate a portion of such expenses to investors who are admitted after the initial closing date. Operating Expenses include, but are not limited to, brokerage commissions and other charges for transactions in securities and other instruments, insurance costs, administration fees and expenses, custody fees and expenses, legal, tax and accounting fees and expenses, audit fees, consulting and recording fees and expenses and servicing fees. SMAPP bears its own SMAPP Management Fee and all extraordinary expenses, including, without limitation, litigation fees and expenses.

Silvercrest is responsible for its expenses, including its general overhead, salaries, employee benefits and travel expenses of its employees and certain of its affiliates and will be reimbursed by SMAPP and the Master Fund for all non-investment advisory expenses it or its affiliates incur on behalf of SMAPP and the Master Fund.

(c) Administration Fee

Silvercrest or an affiliate of Silvercrest, will provide administrative support to SMAPP and will be paid by the Master Fund in exchange for such support. SMAPM pays Silvercrest (or a person or entity designated by SMAPM) an annual Administration fee (the "SMAPM Administration Fee") in an amount equal to either (i) 0.08% of the net assets of SMAPM or (ii) $32,000, whichever is the greater. The SMAPM Administration Fee is paid promptly at the end of each calendar quarter and is calculated based on the net assets of SMAPM as of the beginning of such quarter. If additional contributions are made to SMAPM during the quarter, the SMAPM Administration Fee will be prorated and charged at the time of such contribution. The SMAPM Administration Fee is deducted in determining the net profit or net loss of SMAPM. In the event SMAPM is not in existence for the entire calendar quarter, the SMAPM Administration Fee for such quarter shall be prorated. Silvercrest, in its sole discretion, may waive or reduce the SMAPM Administration Fee to be paid by employees, affiliates or relatives of Silvercrest or trusts for the benefit of such persons.

7. Silvercrest Municipal Advantage Portfolio A LLC (“SMAPA”)

(a) SMAPA Management Fee

Silvercrest is entitled to compensation in the form of a management fee (the “SMAPA Management Fee”). For investors that became members of SMAPA prior to January 1, 2010, the SMAPA Management Fee will be payable by SMAPA, solely out of its assets, quarterly, in arrears, at an annual rate equal to 1.00% of SMAPA’s Net Assets attributable to such members on the last business day of the quarter. For the avoidance of doubt, the SMAPA Management Fee applicable to such members will apply to any subscriptions made by such members on or after January 1, 2010.

For investors that became or become members of SMAPA after December 31, 2009, the SMAPA Management Fee will be payable by SMAPA, solely out of its assets, quarterly, in arrears, at an annual rate equal to 1.50% of SMAPA’s Net Assets attributable to such members on the last business day of the quarter.

“Net Assets” for purposes of SMAPA is defined as the total assets of SMAPA less total liabilities of SMAPA. To the extent that members withdraw from SMAPA during a quarter the SMAPA Management Fee attributable to such withdrawals will be payable by SMAPA at the time of such withdrawals. The SMAPA Management Fee is expected to be reduced with respect to subscriptions by certain employees and/or affiliates of Silvercrest. Further, Silvercrest may, in its sole discretion, waive or reduce the SMAPA Management Fee otherwise due with respect to any member’s investment.

(b) Expenses

SMAPA invests substantially all of its assets in the Silvercrest Municipal Advantage Master Fund, a Delaware limited liability company (the “Master Fund”). The Master Fund generally pays all of the organizational and operating expenses of SMAPA (which expenses are, in turn, borne by SMAPA as a member of the Master Fund, on a *pro rata* basis). Organizational expenses include, but are not limited to, legal fees and accounting fees. Organizational expenses may, to the extent they are not material, be amortized for accounting purposes on a straight-line basis over five years with such amortization commencing on the first day of the fifth quarter following the initial closing date. If the organizational expenses have not been amortized, Silvercrest may, to the extent they are not material, allocate a portion of such expenses to investors who are admitted after the initial closing date. Operating Expenses include, but are not limited to, brokerage commissions and other charges for transactions in securities and other instruments, insurance costs, administration fees and expenses, custody fees and expenses, legal, tax and accounting fees and expenses, audit fees, consulting and recording fees and expenses and servicing fees. SMAPA bears its own SMAPA Management Fee and all extraordinary expenses, including, without limitation, litigation fees and expenses.

Silvercrest is responsible for its expenses, including its general overhead, salaries, employee benefits and travel expenses of its employees and certain of its affiliates and will be reimbursed by SMAPA and the Master Fund for all non-investment advisory expenses it or its affiliates incur on behalf of SMAPA and the Master Fund.

(c) Administration Fee

Silvercrest or an affiliate of Silvercrest, will provide administrative support to SMAPA and will be paid by the Master Fund in exchange for such support. SMAPM pays Silvercrest (or a person or entity designated by SMAPM) an annual Administration fee (the "SMAPM Administration Fee") in an amount equal to either (i) 0.08% of the net assets of SMAPM or (ii) $32,000, whichever is the greater. The SMAPM Administration Fee is paid promptly at the end of each calendar quarter and is calculated based on the net assets of SMAPM as of the beginning of such quarter. If additional contributions are made to SMAPM during the quarter, the SMAPM Administration Fee will be prorated and charged at the time of such contribution. The SMAPM Administration Fee is deducted in determining the net profit or net loss of SMAPM. In the event SMAPM is not in existence for the entire calendar quarter, the SMAPM Administration Fee for such quarter shall be prorated. Silvercrest, in its sole discretion, may waive or reduce the SMAPM Administration Fee to be paid by employees, affiliates or relatives of Silvercrest or trusts for the benefit of such persons.

8. <u>Silvercrest Market Neutral Fund and Silvercrest Market Neutral Fund (International) (together "SMNF")</u>

(a) SMNF Management Fees

Silvercrest is entitled to compensation in the form of a management fee (the "SMNF Management Fee") and a performance allocation (the "SMNF Performance Fee"), when applicable. A discussion of the performance allocation is set forth in Item 6 of this document, entitled *Performance-Based Fees and Side-By-Side Management*. A discussion of the SMNF Management Fee is set forth below.

The SMNF Management Fee will be payable by SMNF, solely out of its assets, monthly, in advance, at an annual rate equal to .25% of the Net Worth of SMNF on the first business day of the month. The "Net Worth" of SMNF is equal to the estimated value of its total assets minus the estimated sum of its total liabilities (including reserves for taxes), as of the pertinent valuation date, based on the net asset values reported to it by the underlying funds in which SMNF invests. The SMNF Management Fee is expected to be waived with respect to subscriptions by certain employees and/or affiliates of Silvercrest. Silvercrest, in its sole discretion, may waive or reduce the SMNF Management Fee to be paid by employees, affiliates or relatives of Silvercrest or trusts for the benefit of such persons.

(b) SMNF Advisory Fees

SMNF is responsible for its *pro rata* share of fees payable to the sub-fund managers or, if SMNF invests through an intermediary entity or entities, fees to the investment advisors thereof (collectively, the "SMNF Advisory Fees"). The SMNF Advisory Fees will vary, but they will typically consist of a management (asset-based) fee and an incentive fee. Management fees typically range between 1% and 2% of a sub-fund's net asset value per year and incentive fees typically range between 20% and 30% of the sub-fund's net new profits. Generally, incentive fees with respect to a specific sub-fund will be charged on a "high water mark" basis, so that trading losses will be carried forward and will be recouped before an incentive fee can be earned. Because incentive fees will be based on each sub-fund's performance, SMNF may in effect pay incentive fees during periods when it is not profitable on an overall basis (for example, if the losses of the unprofitable sub-funds together with expenses of SMNF exceed the profits of the profitable sub-funds).

(c) Expenses

SMNF, solely out of its assets, pays all of its organization and operating expenses. Organization expenses, including, but not limited to, legal fees, trustee fees and accounting fees, may, to the extent they are not material, be amortized on a straight-line basis over five years. If the organization expenses have not been amortized, SMNF may, to the extent they are not material, allocate a portion of such expenses to investors who are admitted after the initial closing date. Operating Expenses include, but are not limited to, brokerage commissions and other charges for transactions in securities and other instruments, certain due diligence expenses relating to investments in sub-funds, insurance costs, administration fees and expenses, custody fees and expenses, legal, tax and accounting fees and expenses, audit fees, administrator fees, trustee fees, consulting and recording fees and expenses and servicing fees. SMNF also bears its own SMNF Management Fees and SMNF Performance Fees and all extraordinary expenses, including, without limitation, litigation fees and expenses.

Silvercrest is responsible for its expenses, including its general overhead, salaries, employee benefits and travel expenses of its employees and certain of its affiliates and will be reimbursed by SMNF, solely out of assets of SMNF, for all non-investment advisory expenses (i.e. out-of-pocket expenses) it or certain of its affiliates incur on behalf of SMNF.

9. <u>Silvercrest Small Cap Fund LP and Silvercrest Special Situations Fund LP (together, the “2011 Funds”)</u>

(a) The Basic Fee

Silvercrest is entitled to compensation in the form of a management fee to be paid by both of the 2011 Funds (the "2011 Funds Management Fee"). A discussion of the 2011 Funds Management Fee is set forth below.

Both 2011 Funds pay Silvercrest a quarterly basic fee (the “Basic Fee”) computed, in advance, at an annual rate of 1.35% (i.e., 0.3375% per quarter) of the value of each limited partner’s capital account. The Basic Fee is paid to Silvercrest promptly after the first day of each quarter based on the value of the net assets of the relevant fund as of the first day of such quarter. In the event the fund in question is not in existence for the entire quarter, the Basic Fee for such quarter will be prorated. If additional contributions are made to that fund during the quarter, the Basic Fee will be prorated and charged at the time of such contribution.

(b) Expenses

Silvercrest Investors II LLC, the General Partner for both of the 2011 Funds, is authorized to incur and pay in the name and on behalf of each fund all expenses which it deems necessary or advisable.

Except as provided below, the General Partner is responsible for and pays, or causes to be paid, certain overhead expenses including: overhead expenses of an ordinarily recurring nature such as rent, supplies, secretarial expenses, stationery, charges for furniture and fixtures, employee insurance (e.g., life, health or disability), payroll taxes and compensation of analysts.

All other expenses are borne by the fund that incurs them, including: the fees and costs incidental to the purchase and sale of interests in, and the fees and expenses of, any entity in which the fund invests; legal, accounting, auditing, internal and external administrative and other professional expenses; directors and officers insurance and errors and omissions insurance obtained by the General Partner for the benefit of the fund and the General Partner and/or Silvercrest; research expenses; investment expenses such as commissions, custodial fees, bank service fees and other reasonable expenses related to the purchase, sale or transmittal of the assets of the fund as shall be determined by the General Partner in its sole discretion. Each 2011 Fund may bear a portion of the General Partner's and/or Silvercrest's administrative and overhead expenses, provided that such expenses allocated to that fund do not exceed 0.15% of the fund's assets in any fiscal year. The organizational expenses of the 2011 Funds have been completely amortized.

10. ASTON/Silvercrest Small Cap Fund (the "Aston Fund")

(a) The Management Fee

As the investment adviser to the Fund, Aston Asset Management, LP is paid an annual management fee based on the average daily net assets of the Aston Fund. Out of its fee, Aston pays Silvercrest. For its advisory services, Aston is entitled to receive its management fee from the Fund at an annual rate of 1.00% based on the average daily net assets.

(b) Expenses

ANNUAL ASTON FUND OPERATING EXPENSES
(expenses that investors pay each year as a percentage of the value of their investment)

	Class N Shares	**Class I Shares**
Management Fees	1.00%	1.00%
Distribution (12b-1) Fees	0.25%	None
Other Expenses	2.08% (a)	2.08% (a)
Acquired Fund Fees and Expenses	0.01% (b)	0.01% (b)
Total Annual Fund Operating Expenses	3.34%	3.09%
Fee Waiver and/or Expense Reimbursement	(1.93)% (c)	(1.93)% (c)
Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement	1.41% (c)	1.16% (c)

(a) Estimated for the current fiscal year based on an estimated asset size of $10 million.

(b) The average expense ratio of the acquired funds in the table is an estimate.
(c) Aston is contractually obligated to waive management fees and/or reimburse ordinary operating expenses through February 28, 2013 at the rates shown in the table, not including interest, taxes, brokerage commissions, other investment-related costs, extraordinary expenses and acquired fund fees and expenses. Prior to February 28, 2013, the arrangement may be amended or terminated for a class only by a vote of the Board of Trustees of Aston Funds. For a period of up to three years from the fiscal year end during which such amount was waived or reimbursed, the adviser is entitled to be reimbursed by the Aston Fund for fees waived and expenses reimbursed from the commencement of operations through the completion of the first three full fiscal years to the extent that the expense ratio for a class, not including interest, taxes, brokerage commissions, other investment-related costs, extraordinary expenses and acquired fund fees and expenses, remains at or below the operating expense cap after such reimbursement.

EXAMPLE
This example is intended to help investors compare the cost of investing in the Aston Fund with the cost of investing in other mutual funds. The example shows the operating expenses you would incur as a shareholder if an investor invested $10,000 in the Aston Fund over the time periods shown and the investor redeemed all of its shares at the end of those periods. The example assumes that the average annual return was 5%, operating expenses remained the same and expenses were capped for one year in each period. Although actual costs may be higher or lower, based on the above assumptions, the investor's costs would be:

	1 Year	**3 Years**
Class N Shares	$ 144	$ 847
Class I Shares	$ 118	$ 772

<u>PAYMENTS TO BROKER-DEALERS AND OTHER FINANCIAL INTERMEDIARIES</u>
If shares are purchased through a broker-dealer or other financial intermediary (such as a bank), the Aston Fund and its related companies may pay the intermediary for the sale of shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and the salesperson to recommend the Aston Fund over another investment. Before purchasing shares of the Aston Fund through a sales person, ask the salesperson or visit his or her financial intermediary's website for more information.

To pay for the cost of promoting the Aston Fund and servicing shareholder accounts, the Aston Fund has adopted a Rule 12b-1 distribution plan for Class N shares. Under this plan, the Aston Fund pays a fee at an annual rate of not more than 0.25% of the Aston Fund's Class N shares' average daily net assets to distributors for certain expenses associated with the distribution of Aston Fund shares and other services. The fee is accrued daily and payable monthly. Over time, these fees may increase the cost of an investment in the Aston Fund and may cost more than paying other types of sales charges.

11. <u>Silvercrest Commodity Strategies Fund LP ("SCF")</u>

(a) The Basic Fee

Silvercrest is entitled to compensation in the form of a management fee to be paid by SCF (the "SCF Management Fee") and a performance allocation (the “SCF Performance Fee”). A discussion of the performance allocation is set forth in Item 6 of this document, entitled *Performance-Based Fees and Side-By-Side Management.* A discussion of the SCF Management Fee is set forth below.

SCF pays Silvercrest, out of each limited partner’s capital account, an asset-based management fee (the “Basic Fee”), monthly in advance, on the first business day of the month, at a rate equal to 1.00% per annum (i.e., 0.25% per quarter) of the each limited partner’s capital account balance (prior to any accrued performance allocation). The Basic Fee is prorated for any contributions made on a date other than the beginning of a month. In the event the fund in question is not in existence for the entire quarter, the Basic Fee for such quarter will be prorated. If additional contributions are made to that fund during the quarter, the Basic Fee will be prorated and charged at the time of such contribution.

(b) Expenses

Silvercrest Investors II LLC, the General Partner for SCF, is authorized to incur and pay in the name and on behalf of each fund all expenses which it deems necessary or advisable.

Except as provided below, the General Partner is responsible for and pays, or causes to be paid, certain organizational expenses including, including but not limited to, legal, accounting and filing fees. Operating expenses include, but are not limited to, custodial, brokerage and placement fees, administrative fees and expenses due diligence and related extraordinary travel expenses, expenses incurred for or by any consultants, continuing offering expenses, reporting cost, legal expenses, accounting and audit expenses, and all extraordinary expenses, including without limitation, litigation fees and expenses.

SCF’s expenses also include the management and performance fees and other expenses associated with its investments with the portfolio managers of the underlying funds (such as organization, offering, custodial, brokerage, administrative, accounting, audit and legal expenses and any extraordinary expenses). The management and performance fees of those portfolio managers vary, but typically consist of management fees of 1% to 2% per annum of assets under management and performance fees of 15% to 25% of net new profits. It is anticipated that in most cases these performance fees are charged on a “high water mark” basis, so that any trading losses are carried forward and must be recouped before a performance fee can be earned. Because performance fees are based separately on each portfolio manager’s performance, SCF itself may pay performance fees during periods when it is not profitable on an overall basis.

12. <u>Silvercrest International Fund, L.P. (“SIF”)</u>

(a) The Basic Fee

SIF is currently offering three Series: the Master Series, the Emerging Market Series and the Frontier Market Series. Each Series pays Silvercrest a quarterly basic fee (the “Basic Fee”) computed, in advance, at an annual rate of 1.35% (i.e., 0.3375% per quarter) of the value of each limited partner's capital account in such Series. The Basic Fee is paid to Silvercrest promptly after the first day of each quarter based on the value of the net assets of each Series as of the first day of such quarter. In the event that a Series is not in existence for the entire quarter, the Basic Fee attributable to such Series for such quarter will be prorated. If additional contributions are made to a Series during the quarter, the Basic Fee attributable to such Series will be prorated and charged at the time of such contribution. The General Partner of SIF, Silvercrest Investors II LLC, may, in its sole discretion, waive or reduce the Basic Fee otherwise due with respect to any limited partner's capital account in one or more Series. To the extent that a Series invests in one or more other Series, the investing Series will not be subject to any additional or layering of the Basic Fee.

(b) Expenses

The General Partner is authorized to incur and pay in the name and on behalf of each Series all expenses which it deems necessary or advisable. Except as provided below, the General Partner is responsible for and pays, or causes to be paid, certain overhead expenses including: overhead expenses of an ordinarily recurring nature such as rent, supplies, secretarial expenses, stationery, charges for furniture and fixtures, employee insurance (e.g., life, health or disability), payroll taxes and compensation of analysts. All other expenses are borne by each Series to the extent such expenses are reasonably attributable to such Series, including: the fees and costs incidental to the purchase and sale of interests in, and the fees and expenses of, any entity in which such Series invests; legal, accounting, auditing, internal and external administrative and other professional expenses; directors and officers insurance and errors and omissions insurance obtained by the General Partner for the benefit of such Series, the General Partner and/or Silvercrest; research expenses; investment expenses such as commissions, custodial fees, bank service fees; and other reasonable expenses related to the purchase, sale or transmittal of the assets of such Series as shall be determined by the General Partner in its sole discretion. Each Series may bear a portion of the General Partner's and/or the administrative and overhead expenses of Silvercrest, provided that such expenses allocated to a Series do not exceed 0.15% of such Series' assets in any fiscal year. To the extent that a Series invests in one or more other Series, the investing Series will bear its pro rata portion of the expenses of the Series in which it is invested. Partnership expenses not specifically attributable to a particular Series will be apportioned pro rata among all Series based on their relative net worth.

B. Additional Charges, Expenses and Commissions Paid By All Funds

1. Advisory Fees

Those of the Funds that are funds of funds make investments in third party funds ("Sub-Funds") that are themselves managed by fund managers (the "Sub-Fund Managers") who charge their own fees. These include SHEF, SGOF, SIF, SMNF, the 2011 Funds, and SEMF (the "Funds of Funds"). Each of the Funds of Funds is responsible for its pro rata share of fees payable to the Sub-Fund Managers or, if the Fund of Funds invests through an intermediary entity or entities, fees to the investment advisors thereof (collectively, the "Advisory Fees"). The Advisory Fees will vary, but they will typically consist of a management (asset-based) fee and an incentive fee. Management fees typically range between 1% and 2% of a Sub-Fund's net asset value per year and incentive fees typically range between 20% and 30% of the Sub-Fund's net new profits. Generally, incentive fees with respect to a specific Sub-Fund will be charged on a "high water mark" basis, so that trading losses will be carried forward and will be recouped before an incentive fee can be earned. Because incentive fees will be based on each Sub-Fund's performance, the Fund of Funds itself may in effect pay incentive fees during periods when it is not profitable on an overall basis (for example, if the losses of the unprofitable Sub-Funds together with the Fund of Fund's expenses exceed the profits of the profitable Sub-Funds).

2. Operating Expenses

Each Fund, solely out of its assets, pays all of its operating expenses. Operating Expenses include, but are not limited to, brokerage commissions and other charges for transactions in securities and other instruments, certain due diligence expenses relating to investments in Sub-Funds, insurance costs, administration fees and expenses, custody fees and expenses, legal, tax and accounting fees and expenses, audit fees, administrator fees, trustee fees, consulting and recording fees and expenses and servicing fees ("Operating Expenses"). The Fund also bears its own Management Fees and Performance Allocations (discussed in Item 6, entitled *Performance-Based Fees and Side-By-Side Management*) and all extraordinary expenses, including, without limitation, litigation fees and expenses.

Silvercrest is responsible for its expenses, including its general overhead, salaries, employee benefits and travel expenses of its employees and certain of its affiliates and will be reimbursed by each Fund, solely out of the applicable Fund's assets, for all non-investment advisory expenses (i.e. out-of-pocket expenses) it or certain of its affiliates incur on behalf of that Fund.

3. Sales Commission

Currently no Fund pays a sales commission in connection with the sale of units thereof. If, however, placement agents are retained by a Fund, Silvercrest may, in its sole discretion, pay such placement agents out of its own funds or directly charge investors directly.

C. Additional Conflicts Created by Fees and Expenses of All of the Funds

Conflicts of interest exist in the structure and operation of each Fund's business, including conflicts resulting from their fee structures. Further discussion of the conflicts and risks associated with the Funds is set forth in Item 6 of this document, entitled *Performance-Based Fees and Side-By-Side Management*, Item 8 of this document, entitled *Methods of Analysis, Investment Strategies and Risk of Loss*.

Funds with performance based fees are subject to a "layering" of asset-based and performance-based allocations, fees and expenses. They are directly subject to the management fees, the performance fees and expenses.

The Fund of Funds are also indirectly subject, through their investments with the underlying funds, to both asset-based and performance-based fees or allocations charged by them, as well as the ongoing expenses of those underlying managers. The asset-based fees of the underlying managers generally are expected to range from 1% to 3%, and the performance-based allocations or fees of the underlying funds generally are expected to range from 10% to 30% of net income or capital appreciation.

Such fees and expenses, in the aggregate, will exceed the fees and expenses that would typically be incurred by an investor making a direct investment in one of the underlying managers.

In addition, one or more of the Funds of Funds may, from time to time, enter into arrangements with underlying investment managers that provide for the investment manager to be compensated, in whole or in part, based on the appreciation in value (including unrealized appreciation) of the account during specific measuring periods. Moreover, in certain infrequent cases, those investment managers may be paid a fee based on appreciation during the specific measuring period, without taking into account losses occurring in prior measuring periods, although Silvercrest anticipates that most, if not all, investment managers who charge such fees will take into account prior losses.

Finally, the fees which Silvercrest is entitled to receive as investment advisor have not been set by "arm's length" negotiations and may be higher than the fees which another investment advisor might charge. Silvercrest, however, believes such fees are justified in light of the structure of each Fund, the investment program and the investor base.

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

I. Separately Managed Accounts

Silvercrest does not charge performance-based fees to its client accounts.

If Silvercrest recommends that a client invest in a fund managed by a third party, then that client may pay performance fees to the third party manager. Depending on the manager, Silvercrest may receive, as compensation, a percentage of the total compensation, including those performance fees, paid by its clients to those third party managers. In that event, the compensation arrangement will be separately disclosed in writing to the investing client.

II. Fund Advisory Services

A. Fees Detailed by Fund

Silvercrest acts as advisor to the Funds. Information regarding the management fees, charges and expenses for each of the Funds is set forth in Item 5, entitled *Fees and Compensation*, above. Below is a discussion, by Fund, of performance-based fees paid by the Funds.

1. SHEF

In connection with its role as advisor to SHEF, Silvercrest is entitled to compensation in the form of the SHEF Management Fee. A discussion of the SHEF Management Fee is set forth in Item 5 of this document, entitled *Fees and Compensation*.

2. SEMF

Silvercrest is entitled to compensation in the form of a management fee (the "SEMF Management Fee"). A discussion of the SEMF Management Fee is set forth in Item 5 of this document, entitled *Fees and Compensation*.

3. SGOF

Silvercrest, either itself or through its affiliate, Silvercrest Investors LLC, (the “General Partner”) will receive the SGOF Management Fee, and may receive a performance allocation (the “SGOF Performance Fee”), when applicable. A discussion of the SGOF Management Fee is set forth in Item 5 of this document, entitled *Fees and Compensation*. A discussion of the SGOF Performance Fee is set forth below.

Subject to the SGOF Loss Carryover (as defined below), as of the end of each fiscal year, increases in the net worth of SGOF allocated during such fiscal year to each capital account attributable to a Class A limited partner will be reallocated so that Silvercrest shall receive an allocation equal to 10% of the aggregate increases in the net worth allocated to such capital account, provided that such reallocation shall not reduce such capital account's final allocation of increases in the net worth for such fiscal year below the Preferred Return (as defined below) for such fiscal year. No SGOF Performance Fee shall be paid with respect to a Partnership DI Account until a Realization Event occurs with respect to such Partnership DI Account.

If there is a reduction of a capital account as a result of a withdrawal prior to the end of a fiscal year, the General Partner shall receive a SGOF Performance Fee with respect to the increase in net worth allocated to such capital account in such fiscal year, subject to the SGOF Loss Carryover and the Preferred Return.

The "Preferred Return" means, with respect to any SGOF capital account attributable to a Class A limited partner for any fiscal year, the amount that such capital account would have earned during such fiscal year if it had achieved a non-compounded, non-cumulative rate of return of 10% per annum (such rate to be prorated for shorter periods if the capital account is created, or a reduction is made thereto, other than as of the first business day or the last business day of a fiscal year). For the avoidance of doubt, the Preferred Return will not be aggregated from year to year.

A separate SGOF Performance Fee will be calculated with respect to all funds permitted to be invested by a Class A limited partner in SGOF during a fiscal year (other than as of the first business day of such fiscal year) and with respect to all funds permitted to be withdrawal by a Class A limited partner from SGOF during a fiscal year (other than as of the last business day of such fiscal year).

For the avoidance of doubt, the SGOF Performance Fee shall be in addition to the allocations to the General Partner based upon its capital account proportionate to the aggregate amount of the capital accounts of SGOF.

The General Partner may waive, reduce or rebate any performance allocation attributable to any limited partner party, including, without limitation, any employee, agent or affiliate of Silvercrest or the General Partner. The General Partner, in its sole and absolute discretion, may also pay a portion of the SGOF Performance Fee to certain limited partners and/or other third parties.

In any fiscal year during which a capital account attributable to a Class A limited partner is allocated a decrease in net worth, the amount of such decrease shall be allocated to an account at SGOF (such allocation of decreases, the "SGOF Loss Carryover"). The SGOF Loss Carryover attributable to each capital account shall be (i) aggregated from fiscal year to fiscal year, and (ii) reduced (but not below zero) in subsequent fiscal year(s) by any increases in net worth allocated to such capital account.

In any fiscal year during which a capital account is subject to an SGOF Loss Carryover, the General Partner shall not receive an SGOF Performance Fee with respect to such capital account. An SGOF Performance Fee (subject to the preferred return for such year) with respect to such capital account shall not be due for a subsequent year until increases in net worth allocated to such capital account have reduced such capital account's SGOF Loss Carryover to zero.

If at any time during which a capital account is subject to an SGOF Loss Carryover, there is a withdrawal by a Class A limited partner, the amount of such SGOF Loss Carryover shall be reduced by a percentage equal to 100% multiplied by a fraction, the numerator of which is the value of the amount to be withdrawn by such Class A limited partner and the denominator of which is the aggregate value of such Class A limited partner's capital accounts immediately prior to the withdrawal.

When a Partnership DI Account is created, any increase or decrease in net worth allocated to the capital account(s) participating in such Partnership DI Account shall be taken into account in determining the SGOF Performance Fee with respect to the relevant capital account(s) and whether there is an addition to each related SGOF Loss Carryover. The initial value of such Partnership DI Account shall be the last reported value of the related DI Account, as reported by the applicable designated manager. In addition, upon the creation of a Partnership DI Account, the SGOF Loss Carryover attributable to each relevant capital account shall be proportionately reduced based on the amount allocated from such capital account to such Partnership DI Account. Upon the occurrence of a Realization Event, such reduction in the SGOF Loss Carryover (if any) shall be reversed (and will increase the SGOF Loss Carryover, if any) and any appreciation or depreciation in such Partnership DI Account shall be allocated to the corresponding capital account(s) and taken into account in computing any increase or decrease in net worth. In the event of a Realization Event solely with respect to a portion of a Partnership DI Account, the SGOF Loss Carryover reduction on the allocation to such Partnership DI Account shall be reversed proportionately with the portion of the Partnership DI Account that is realized.

After a Class A limited partner has withdrawn the total value of its Class A interest and only retains an interest in a Partnership DI Account, in the event of a Realization Event with respect to any Partnership DI Account, any net capital appreciation and net capital depreciation resulting therefrom will be allocated to such Class A limited partner's capital account and paid out to such Class A limited partner within forty-five (45) days following such realization event. The SGOF Loss Carryover attributable to each such capital account will be reduced as a result of such withdrawal. Until the Realization Event with respect to such Partnership DI Account has occurred, the SGOF Loss Carryover attributable to such capital account will be zero. Upon such Realization Event, the SGOF Loss Carryover attributable to such capital account will be increased by a reversal of the original reduction thereof on the participation by such capital account in the relevant Partnership DI Account and the General Partner will receive no SGOF Performance Fee with respect to such capital account until the newly increased SGOF Loss Carryover is recovered in full. In such a case, the SGOF Performance Fee will be calculated based on the net capital appreciation (or relevant portion thereof) on the Partnership DI Account in excess of the amounts used to recover the SGOF Loss Carryover. Thus, reversed amounts from the SGOF Loss Carryover and realized losses on a Partnership DI Account from a Realization Event will not offset unrealized gains on other Partnership DI Accounts.

4. SMSSF

Silvercrest is entitled to compensation in the form of the SMSSF Management Fee and the SMSSF Performance Fee, when applicable. A discussion of the SMSSF Management Fee is set forth in Item 5 of this document, entitled *Fees and Compensation*. A discussion of the SMSSF Performance Fee is set forth below.

Silvercrest Investors LLC, an affiliate of Silvercrest, as the special member of the Fund (the "Special Member"), will receive the SMSSF Performance Fee. Immediately after any allocation of net profit or net loss to the members, as of the last business day of a calendar year, upon any interim full or partial withdrawal of capital by a member, upon any distribution of capital to a member and upon liquidation of SMSSF, there will be reallocated to the capital account of the Special Member and debited from the capital accounts of the other members (other than Silvercrest) an amount equal to the SMSSF Performance Fee, if any, applicable to such members. The SMSSF Performance Fee will be an amount equal to ten percent (10%) of the amount, if any, by which (i) the net profit, if any, allocable to a member's capital account since the later of commencement of SMSSF's operations or the last date as of which a SMSSF Performance Fee was made with respect to such member's capital account (after payment of the SMSSF Management Fee but before the SMSSF Performance Fee) exceeds (ii) the positive balance, if any, in such member's SMSSF Loss Carryforward Account (as defined below), provided, however, that net profit for such calendar year (or such shorter period) exceeds a non-cumulative threshold return (or hurdle rate) of 5% per annum. The SMSSF Performance Fee will be calculated separately for each member.

For purposes of calculating the SMSSF Performance Fee for each member, SMSSF will establish for each member a memorandum account which will be designated an "SMSSF Loss Carryforward Account." Each SMSSF Loss Carryforward Account will have an initial balance of zero and will be adjusted as follows: as of the last day of each fiscal period (as defined herein) the balance of such member's SMSSF Performance Fee Loss Carryforward Account will be increased by an amount equal to the net loss, if any, allocated to such member's capital account with respect to such period and will be decreased (but not below zero) by an amount equal to the net profit, if any, initially allocated to such member's capital account with respect to such period. The SMSSF Loss Carryforward Account of any member making a partial withdrawal or receiving a distribution from its capital account will be further adjusted as of the date such withdrawal or distribution is effective by decreasing any positive balance of such SMSSF Loss Carryforward Account (but not below zero) by an amount determined by multiplying (i) such positive balance by (ii) a fraction, of which the numerator is equal to the amount withdrawn or distributed and the denominator is equal to the balance of such member's capital account immediately before giving effect to such withdrawal or distribution.

The Special Member may, in its sole discretion, waive or reduce its SMSSF Performance Fee as to any member, and may otherwise vary the terms of the SMSSF Performance Fee as to a member by agreement with such member. The SMSSF Performance Fee is expected to be waived with respect to subscriptions by certain employees and/or affiliates of Silvercrest.

5. <u>SMNF</u>

Silvercrest is entitled to compensation in the form of the SMNF Management Fee and the SMNF Performance Fee, when applicable. A discussion of the SMNF Management Fee is set forth in Item 5 of this document, entitled *Fees and Compensation*. A discussion of the SMNF Performance Fee is set forth below.

Silvercrest or an affiliate of Silvercrest will receive the SMNF Performance Fee. Immediately after any allocation of net profit or net loss to the unit holders, as of the last business day of each calendar quarter, upon any interim full or partial redemption of capital by a unit holder, and upon liquidation of SMNF, there will be reallocated to the capital account of Silvercrest and debited from the capital accounts of the other unit holders an amount equal to the SMNF Performance Fee, if any, applicable to such unit holders.

The SMNF Performance Fee will be an amount equal to 10% of the amount, if any, by which (A) the net profit, if any, allocable to a unit holder's capital account since the later of the commencement of SMNF's operations or the last date as of which the SMNF Performance Fee was made with respect to such unit holder's capital account (after payment of the SMNF Management Fee but before the SMNF Performance Fee) exceeds (B) the positive balance, if any, in such unit holder's SMNF Loss Carryforward Account (as defined herein), and shall be calculated separately for each unit holder. Silvercrest will pay a portion of the Performance Allocation to any sub-advisor.

For purposes of calculating the SMNF Performance Fee for each unit holder, SMNF will establish for each unit holder a memorandum account which will be designated a "SMNF Loss Carryforward Account." Each SMNF Loss Carryforward Account will have an initial balance of zero and will be adjusted as follows: as of the last day of each fiscal period the balance of such unit holder's SMNF Loss Carryforward Account will be increased by an amount equal to the net loss, if any, allocated to such unit holder's capital account with respect to such fiscal period (as defined herein), and will be decreased by an amount equal to the net profit, if any, allocated (i.e., prior to the SMNF Performance Fee) to such unit holder's capital account with respect to such fiscal period; provided, however, that any negative balance in a unit holder's capital account will be eliminated as of the end of each fiscal year. The SMNF Loss Carryforward Account of any unit holder making a partial redemption from its Capital Account will be further adjusted as of the date such redemption is effective by decreasing any positive balance of such SMNF Loss Carryforward Account (but not below zero) by an amount determined by multiplying (i) such positive balance by (ii) a fraction, of which the numerator is equal to the amount redeemed and the denominator is equal to the balance of such Unit holder's capital account immediately before giving effect to such redemption.

Silvercrest may, in its sole discretion, waive or reduce the SMNF Performance Fee as to any unit holder, and may otherwise vary the terms of the SMNF Performance Fee as to a unit holder by agreement with such unit holder.

At this time, Silvercrest is not charging the SMNF Performance Fee.

6. SCF

Silvercrest is entitled to compensation in the form of the SCF Management Fee and the SCF Performance Fee, when applicable. A discussion of the SCF Management Fee is set forth in Item 5 of this document, entitled *Fees and Compensation*. A discussion of the SCF Performance Fee is set forth below.

Silvercrest Investors II LLC, an affiliate of Silvercrest, as the general partner of the Fund (the "SCF GP"), will receive the SCF Performance Fee. Immediately after any allocation of net profit or net loss to the limited partners of SCF (the "SCF Limited Partners") as of the last day of each calendar year, upon any interim full or partial redemption of interests by an SCF Limited Partner, and upon liquidation of SCF, there is reallocated to the capital account of SCF GP and debited from the capital accounts of the SCF Limited Partners an amount equal to the SCF Performance Fee, if any, applicable to such SCF Limited Partners. The SCF Performance Fee is an amount equal to ten percent (10%) of the amount, if any, by which (i) the net profit, if any, allocable to an SCF Limited Partner's capital account since the later of commencement of SCF's operations or the last date as of which an SCF Performance Fee was made with respect to such SCF Limited Partner's capital account (after payment of the SCF Management Fee but before the SCF Performance Fee) exceeds (ii) the positive balance, if any, in such SCF Limited Partner's SCF Loss Carryforward Account (as defined below), and is calculated separately for each SCF Limited Partner.

For purposes of calculating the SCF Performance Fee for each SCF Limited Partner, SCF establishes for each SCF Limited Partner a memorandum account that will be designated an "SCF Loss Carryforward Account". Each SCF Loss Carryforward Account has an initial balance of zero and is adjusted as follows: as of the last day of each fiscal period, the balance of such SCF Limited Partner's SCF Loss Carryforward Account is increased by an amount equal to the net loss, if any, allocated to such SCF Limited Partner's capital account with respect to such fiscal period and is decreased (but not below zero) by an amount equal to the net profit, if any, initially (i.e., including for such period for which the SCF Performance Fee is being determined and without taking into account the SCF Performance Fee) allocated to such SCF Limited Partner's capital account with respect to such fiscal period. The SCF Loss Carryforward Account of any SCF Limited Partner making a partial redemption from its capital account is further adjusted as of the date such redemption is effective by decreasing any positive balance of such SCF Loss Carryforward Account (but not below zero) by an amount determined by multiplying (i) such positive balance by (ii) a fraction, of which the numerator is equal to the amount withdrawn and the denominator is equal to the balance of such SCF Limited Partner's capital account immediately before giving effect to such redemption.

SCF GP may, in its sole discretion, waive or reduce the SCF Performance Fee as to any SCF Limited Partner, and may otherwise vary the terms of the SCF Performance Fee as to an SCF Limited Partner by agreement with such SCF Limited Partner.

B. Potential for Conflict of Interest Associated with Performance Fees

The fact that Silvercrest may be compensated based on performance may create an incentive for Silvercrest to make investments on behalf of the Fund(s) that are riskier or more speculative than would be the case in the absence of such compensation. In addition, the performance fees are based on realized and unrealized gains and losses of the fund(s). As a result, the performance fee could be made in respect of unrealized gains that may never be realized.

Private equity or hedge funds other than the Funds may charge performance and asset-based fees similar to or greater than the fees charged by the Funds. When the Funds (with the exception of the Silvercrest Special Opportunities Funds) invest in other non-affiliated funds, the investor will be subject to the fees from both the Fund and the underlying fund(s). In charging a performance based fee Silvercrest will adhere to all requirements of the Investment Advisers Act of 1940, as amended, including the requirements of Advisers Act Rule 205-3, which permits such fee arrangements only with respect to "qualified clients". Employees of Silvercrest who invest in a Fund will be subject to a reduced or waived fee.

Conflicts of interest exist in the structure and operation of each Fund's business. The fees which Silvercrest is entitled to receive as investment advisor have not been set by "arm's length" negotiations and may be higher than the fees which another investment advisor might charge. Silvercrest, however, believes such fees are justified in light of the structure of each Fund, the investment program and the investor base.

Further discussion of conflicts and risks associated with the Funds is set forth in Item 5 of this document, entitled *Fees and Compensation*, and Item 8 of this document, entitled *Methods of Analysis, Investment Strategies and Risk of Loss*.

ITEM 7 – TYPES OF CLIENTS

We provide our services to variety of Clients, including:

- High net worth individuals
- Trusts, estates and charitable organizations
- Corporations or other business entities
- Institutions, including Taft-Hartley plans, governmental plans, municipalities, and their pension plans
- Not-for-profit entities
- Limited Partnerships and other private investment funds
- Registered Investment Companies

Silvercrest generally prefers that a client invest a minimum of $5 million to open a separately managed account. However, accounts of less than these amounts may be accepted if they are part of a larger relationship, related to one of the employees of the firm, or under other circumstances. In addition to investment services, Silvercrest provides tax, accounting and financial planning services for those clients requiring such services. For such additional services,

Silvercrest also provides investment advisory and sub-advisory services to the Funds.

ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

I. Separately Managed Accounts

Clients' separately managed accounts are generally managed on a fully discretionary basis. Silvercrest's portfolio managers apply specific objectives and guidelines for each client portfolio which they are responsible for managing. Our clients' range of investment options is unlimited, including Silvercrest's own equity and fixed-income management, the Funds, and third party investment managers.

Silvercrest's own equity and fixed income managers have developed several equity and fixed income strategies. Those strategies are discussed below.

A. Equity Management

1. Methods of Analysis and Investment Strategies

Silvercrest's proprietary equity management team is responsible for large-cap, small-cap, multi-cap, equity-income, SMID cap, focused value, and liquid hedge portfolios, and it employs a disciplined, value-oriented security selection methodology in its stock picking.

Our proprietary equity portfolios are designed to seek compound annual returns with below-market levels of risk. Because we take a conservative and long-term approach, our portfolio turnover is low. We favor financially transparent and understandable companies run by proven management teams with substantial equity stakes and which sell at attractive valuations.

The firm's equity investment strategies are as follows:

Silvercrest Large Cap Equity is an actively managed, value-oriented investment strategy which focuses on companies with market capitalizations in excess of $2 billion. The investment manager employs a bottom-up approach to security selection and seeks companies with high or improving returns on capital, rock-solid balance sheets with minimal leverage, and low multiples to book value, earnings, or assets. Additionally, the manager favors companies which generate excess cash flow that can be used for attractive reinvestment or returned to shareholders. With the help of a proprietary earnings discount model, the investment team's goal is to buy high-quality companies at a discount to "fair value." Opportunities for purchase may arise from mis-valuations due to market misperceptions. Most importantly, the manager invests with disciplined business managers dedicated to creating shareholder value. Consequently, a meeting with a company's senior management team—typically either the CEO or CFO—may precede the initial purchase.

Silvercrest Small Cap Equity is an actively managed, value-oriented investment strategy which focuses on companies with market capitalizations between $200 million and $2 billion. The manager employs a bottom-up approach to security selection and seeks companies with high or improving returns on capital, rock-solid balance sheets with minimal leverage, and low multiples to book value, earnings, or assets. Additionally, the manager favors companies which generate excess cash flow that can be used for attractive reinvestment or returned to shareholders. With the help of a proprietary earnings discount model, the investment team's goal is to buy high-quality companies at a discount to "fair value." Opportunities for purchase may arise from mis-valuations due to market misperceptions and lack of brokerage or research sponsorship. Most importantly, the manager invests with disciplined business managers dedicated to creating shareholder value. Consequently, a meeting with a company's senior management team—typically either the CEO or CFO—may precede the initial purchase.

Silvercrest Equity Income is an actively managed, bottom-up investment strategy with a focus on higher yielding companies. The target yield for the strategy is 150% of the S&P 500. The investment manager employs a bottom-up approach to security selection and seeks companies with high or improving returns on capital, rock-solid balance sheets with minimal leverage, and low multiples to book value, earnings, or assets. Additionally, the manager favors companies which generate excess cash flow that can be reinvested or returned to shareholders. With the help of a proprietary earnings discount model, the manager seeks to buy high-quality companies at a discount to "fair value." Opportunities for purchase may arise from mis-valuations due to market misperceptions and lack of brokerage or research sponsorship. Most importantly, the manager invests with disciplined business managers dedicated to creating shareholder value. Consequently, a meeting with a company's senior management team—typically either the CEO or CFO—may precede the initial purchase.

Silvercrest Multicap is an actively managed, bottom-up investment strategy that invests across the market cap spectrum. The managers, therefore, are allowed to comb a broad universe of stocks to build their portfolio. The investment manager employs a bottom-up approach to security selection and seeks companies with high or improving returns on capital, rock-solid balance sheets with minimal leverage, and low multiples to book value, earnings, or assets. Additionally, the manager favors companies which generate excess cash flow that can be reinvested or returned to shareholders. With the help of a proprietary earnings discount model, the manager seeks to buy high-quality companies at a discount to "fair value." Opportunities for purchase may arise from mis-valuations due to market misperceptions and lack of brokerage or research sponsorship. Most importantly, the manager invests with disciplined business managers dedicated to creating shareholder value. Consequently, a meeting with a company's senior management team—typically either the CEO or CFO—may precede the initial purchase.

Silvercrest SMID Cap Equity is an actively managed, value-oriented investment strategy which focuses on companies with market capitalizations between $200 million and $10 billion. The manager employs a bottom-up approach to security selection and seeks companies with high or improving returns on capital, rock-solid balance sheets with minimal leverage, and low multiples to book value, earnings, or assets. Additionally, the manager favors companies which generate excess cash flow that can be used for attractive reinvestment or returned to shareholders. With the help of a proprietary earnings discount model, the investment team's goal is to buy high-quality companies at a discount to "fair value." Opportunities for purchase may arise from mis-valuations due to market misperceptions and lack of brokerage or research sponsorship. Most importantly, the manager invests with disciplined business managers dedicated to creating shareholder value. Consequently, a meeting with a company's senior management team—typically either the CEO or CFO—may precede the initial purchase.

Silvercrest Focused Value Equity strategy is an actively managed, value-oriented investment strategy which seeks to enhance capital through the ownership of a concentrated portfolio of the investment team's best potential investments, regardless of market cap. Moreover, the strategy views risk not as volatility but as a sustained loss of capital and therefore seeks to avoid losses over two-year investment periods. Attractive investments include those with high or improving returns on capital, rock-solid balance sheets with minimal leverage, and low multiples to book value, earnings, or assets. Employing a proprietary earnings discount model, the investment team's goal is to buy high-quality companies at a substantial discount to "fair value." Pursuing the very best opportunities typically results in fewer holdings, generally between 10 and 20, with a maximum size of 20%, based on market value. The investment team is patient, preferring to hold cash to take advantage of attractive candidates rather than to hold fully valued securities.

The Silvercrest Core International Equity strategy seeks to achieve long-term, tax-efficient capital growth by investing in dominant, well-managed companies domiciled outside the United States. The portfolio managers emphasize purchasing companies with excellent free cash flow growth but only at a reasonable price. The managers seek securities with prospective free-cash-flow yields 20% greater than the yields of intermediate government securities. With the help of a proprietary earnings discount model, the investment team looks for high-quality companies trading at a discount to "fair value." Portfolio companies typically include: high or improving returns on capital; rock-solid balance sheets with minimal leverage; and disciplined management teams who act rationally and speak candidly to their shareholders. The portfolio especially values management teams which can successfully reinvest excess cash flow in their businesses or return it to shareholders through dividend increases. Opportunities for purchase often surface through short-term negative sentiment and the ensuing market misperceptions. Top-down macro analysis serves as a risk-management overlay to help determine country and industry weightings throughout the portfolio.

The Silvercrest Liquid Hedge Portfolio Advisory investment program is designed to complement long-only equity portfolios by achieving equity-type returns over a full market cycle with substantially less volatility. The program will use liquid investment vehicles such as mutual funds and exchange-traded funds. The portfolio diversifies among styles, geographies, sectors, market capitalizations, trading orientations and market exposures. Though it is generally United States equity-focused, other security types may be pursued, including international and emerging markets.

2. Risk of Loss

All of the equity strategies involve essentially the same risk: market loss. Either a decline in the value of a concentrated equity position in a strategy, a general decline in a specific sector, whether by industry or size, or a decline in the equity markets generally could result in significant market loss for clients who are invested using one of the equity strategies. These declines can be caused by a huge variety of events, not necessarily driven by failures within the issuing companies. Investing in the equity strategies generally is for clients who wish to capitalize on increases in the value of equity securities and are willing and able to bear the loss associated with associated declines.

B. Fixed Income Management

1. Methods of Analysis and Investment Strategies

Silvercrest's proprietary fixed income management encompasses both municipal and government/corporate bond portfolios. Both capabilities are focused on the active management of high-grade fixed income securities of short to intermediate duration.

Our objective is to build high quality, well-diversified portfolios that are well positioned to generate total returns in excess of the market benchmarks over a market cycle. We do not predict the direction of short-term interest rates but rather seek to exploit relative value opportunities as they arise. Research is the key to identifying value in the fixed income markets and is at the center of each of our fixed income investment strategies. Whether managing dedicated bond portfolios or the fixed income portion of balanced portfolios, Silvercrest recognizes that each client has unique investment objectives and risk tolerance levels. Accordingly, all of our bond portfolios are customized to meet a client's particular income tax, cash flow and time horizon requirements.

The firm’s fixed income investment strategies are as follows:

The Silvercrest Intermediate Municipal Bond strategy actively manages high-grade securities across all maturities. The strategy’s objective is to build high-quality, well-diversified portfolios positioned to generate total returns in excess of the Barclays Capital 5-Year Bond Index over a market cycle. The investment manager actively manages duration exposure, yield curve position, credit quality and sector allocations to benefit from long-term economic, technical and political trends which influence the fixed income markets. Research is the key to identifying value in the fixed income markets and is at the center of our investment strategy. The manager will not purchase securities in which it does not fully understand both the structure and the issuer. The investment discipline follows a consistent, time-tested methodology that is grounded in a constant search for relative value. The manager seeks to integrate top-down analysis with bottom-up credit analysis and security selection techniques. Securities are purchased with the intention to earn an excess return over time, not simply as a short-term trading profit.

Like other fixed income investments, upon an increase in interest rates, the value of municipal bonds generally decline. Some factors which can cause losses in the municipal securities in the strategy include: economic conditions in the geographic area in which the bond issuer is located; a lack of market liquidity for those bonds as well as the resulting difficulty in valuation of the bonds; an issuing municipality’s act which causes failure to maintain its tax exemption; uncertainties in the municipal market related to legislation or litigation involving the taxation of municipal securities or the rights of municipal securities holders in the event of a bankruptcy; disruptions in related markets restricting the availability of credit generally; put features in certain bonds; increases in interest rates charged by banks or the U.S. Federal Reserve Bank; inflation in the price of goods and services; prepayment by issuers; and yield curve and maturity risk.

The Silvercrest Core Fixed Income strategy actively manages high-grade securities across all maturities. The strategy's objective is to build high-quality, well-diversified portfolios positioned to generate total returns in excess of the Barclays Capital Government/Credit (or comparable) index over a market cycle. The manager actively manages duration exposure, yield curve positions, credit quality and sector allocations to benefit from long-term economic, technical and political trends that will most influence the fixed income markets. Research is the key to identifying value in the fixed income markets and is at the center of the investment strategy. The manager is conservative and will not purchase securities unless they are sound in structure and have a creditable issuer. The investment discipline is a consistent, time-tested methodology that is grounded in a constant search for relative value.

2. Risk of Loss

The fixed income strategies are also long-only strategies, meaning that they purchase bonds and hold them, hoping that they will increase in value and produce a positive rate of return rather than selling short securities with the expectation that they will decrease in value. As such, the strategies depend on the bonds in the strategy to maintain their value and the primary risk is that the bonds in the strategies will decrease in value. The specific risks for each strategy are set forth below. The bonds in the strategies are subject to the risk that the bond issuers (including governmental entities) may default on their obligations and that certain events may occur which have an immediate and significant adverse effect on the value of the bonds. There can be no assurance that an issuer of a bond in the strategies will not default or that an event which has an immediate and significant adverse effect on the value of such bonds will not occur, and that a client will not sustain a loss on a transaction as a result.

Because the strategy includes high yield securities, it carries additional risks. High yield securities, which are typically rated as below investment grade, may be regarded as predominantly speculative with respect of the issuer's (including a governmental and non-governmental issuer) continuing ability to meet principal and interest payments. Analysis of the creditworthiness of issuers of high yield securities may be more complex than for issuers of higher quality debt securities. High yield securities may be more susceptible to real or perceived adverse economic and competitive industry conditions than higher grade securities. The prices of high yield securities have been found to be less sensitive to interest rate changes than more highly rated investments, but more sensitive to adverse economic downturns or individual municipal or corporate developments. If an issuer of a high yield security in the strategy defaults, a client investing in that bond may incur additional expenses to seek recovery. The secondary markets on which high yield securities are traded may be less liquid than the market for higher grade securities. Less liquidity in the secondary trading markets could adversely affect and cause large fluctuations in the price of a bond. Adverse publicity and investor perceptions, whether or not based on fundamental analysis, may decrease the value and liquidity of high yield securities, especially in a thinly traded market.

C. Outsourced Investments

For clients who seek a level of portfolio diversification beyond Silvercrest's proprietary investment capabilities, we have put in place a number of "outsourced" investment capabilities designed to complement those of Silvercrest.

These include large-cap, mid-cap and small-cap growth equity strategies, international equity strategies and high-yield bond strategies. In each case we have identified managers with a proven record of success in their niche and we have negotiated attractive fee discounts with these managers on behalf of our clients. In addition, we have retained subadvisors to advise us in the area of hedge funds and other alternative investment strategies. As a result, we can offer our clients investments in funds of funds or we can assist them in the customization of separately managed alternative investment portfolios.

There is available an unlimited variety of investment strategies and an unlimited variety of associated risks.

II. The Funds

Silvercrest clients may invest the assets in their accounts in one of the Funds. Each Fund has different investment objectives, but some involve the same types of risks. The methods of investment strategy and risks associated with the Funds are listed, fund-by-fund, and as a whole, below.

A. Investment Strategies and Risks of Loss by Fund

1. <u>SHEF</u>

(a) SHEFD Investment Strategies

Silvercrest Hedged Equities Fund, L.P. ("SHEFD") specializes in identifying hedge fund and money management firms with track records that demonstrate the ability to generate attractive rates of return. SHEFD operates as a fund-of-funds, allocating its assets among a diversified group of investment managers with proven track records ("Sub-Fund Managers"). SHEFD will access these Sub-Fund Managers through individually managed accounts or by investing in funds operated by the Sub-Fund Managers, including, but not limited to, limited partnerships, investment companies, limited liability companies and corporations, whether offered publicly or privately, located within or outside the U.S. and managed by registered or unregistered, regulated or unregulated U.S. and non-U.S. investment advisors; provided, however that SHEFD may from time to time invest directly in securities offered by particular issuers.

SHEFD is designed to complement long-only equity portfolios by achieving equity-type returns over a full market cycle with substantially less volatility than otherwise would result from investing solely in such long-only equity portfolios. In order to accomplish its objective, SHEFD will invest with a diversified group of equity-oriented Sub-Fund Managers whose strategies may include U.S. and non-U.S. equities and fundamental and quantitative approaches, as well as a prudent use of leverage. SHEFD will diversify across most aspects of equity management including, without limitation, style, geography, sector, market capitalization, trading orientation and market exposure. Although SHEFD will focus predominantly on Sub-Fund Managers of

U.S. equity strategies, approximately 20% of SHEFD (at the time of investment) may be allocated to Sub-Fund Managers focusing on non-U.S. equity strategies.

There can be no assurance that the Investment Manager will be able to identify and select Sub-Fund Mangers that are able to replicate their historical performance. The past performance of Sub-Fund Mangers is no guaranty of their future performance. Therefore, there can be no assurance that SHEFD's investment objective will be met or that SHEFD will generate any positive returns.

(b) SHEFI Investment Strategy

Silvercrest Hedged Equities Fund (International), Ltd. ("SHEFI") will invest all or substantially all of its assets in SHEFD.

2. SEMF

(a) Investment Strategies of SEMF

Silvercrest Emerging Markets Fund, L.P. ("SEMF") specializes in identifying hedge fund and money management firms with track records that demonstrate the ability to generate attractive rates of return. SEMF operates as a fund-of-funds, allocating its assets among a diversified group of investment managers with such track records ("Sub-Fund Managers"). SEMF will access these Sub-Fund Managers through individually managed accounts or by investing in funds operated by the Sub-Fund Managers, including, but not limited to, limited partnerships, investment companies, limited liability companies and corporations, whether offered publicly or privately, located within or outside the U.S. and managed by registered or unregistered, regulated or unregulated U.S. and non-U.S. investment advisors; provided, however, that SEMF may from time to time invest directly in securities offered by particular issuers.

SEMF seeks to achieve long-term above-average returns by taking advantage of the expected economic growth of Global Emerging Capital Markets while reducing downside exposure during periods of economic decline to the developed financial markets. In order to accomplish its objective, SEMF will invest with a diversified group of Sub-Funds which are expected to invest primarily in global portfolios of securities of issuers located outside the United States, Canada, Japan, and Western Europe (the "Global Emerging Capital Markets"); provided however, it is expected that from time to time that such Sub-Funds may invest in issuers who are not part of the Global Emerging Capital Markets. Sub-Fund strategies may include, but are not limited to, the purchase and sale of stocks, bonds, options, currencies, futures contracts, derivative instruments (including mortgage-backed obligations and interest rate and currency swaps) and money market instruments issued by companies from and governments in Global Emerging Capital Markets.

There can be no assurance that Silvercrest will be able to identify and select Sub-Fund Managers that are able to replicate their historical performance. The past performance of Sub-Fund Managers is no guaranty of their future performance. Therefore, there can be no assurance that SEMF's investment objective will be met or that SEMF will generate any positive returns.

(b) Investment Strategies of SEMFI

Silvercrest Emerging Markets Fund (International), Ltd. ("SEMFI") will invest all or substantially all of its assets in SEMF.

(c) Risks Specific to SEMF

SEMF and Sub-Funds shall invest mainly in issuers located or doing substantial business in emerging market countries. Because of less developed markets and economies and, in some countries, less mature governments and governmental institutions, the risks of investing in securities of issuers domiciled or doing substantial business in emerging market countries can be intensified. These risks include: high concentration of market capitalization and trading volume in a small number of issuers representing a limited number of industries, as well as a high concentration of investors and financial intermediaries; political and social uncertainties; over-dependence on exports, especially with respect to primary commodities, making these economies vulnerable to changes in commodity prices; overburdened infrastructure and obsolete or unseasoned financial systems; environmental problems; less developed legal systems; and less reliable custodial services and settlement practices. Investments in these markets or denominated in non-U.S. currencies also pose currency exchange risks (including blockage, devaluation and non-exchangeability) as well as a range of other potential risks which could include, depending on the country involved, expropriation, confiscatory taxation, political or social instability, illiquidity, price volatility and market manipulation. In addition, less information may be available regarding non-U.S. issuers and non-U.S. companies may not be subject to accounting, auditing and financial reporting standards and requirements comparable to or as uniform as those of U.S. companies. Further, non-U.S. securities markets may not be as liquid as U.S. markets. Transaction costs of investing outside the U.S. are generally higher than in the U.S. because of the cost of converting a foreign currency to dollars, the payment of fixed brokerage commissions on some foreign exchanges and the imposition of transfer taxes or transaction charges by non-U.S. exchanges. There is generally less government supervision and regulation of exchanges, brokers and issuers than there is in the U.S. and there is greater difficulty in taking appropriate legal action in non-U.S. courts. Non-U.S. markets also have different clearance and settlement procedures which in some markets have at times failed to keep pace with the volume of transactions, thereby creating substantial delays and settlement failures that could adversely affect the performance of SEMF.

3. <u>SGOF</u>

SGOF's investment objective is to create significant capital appreciation over a three-to-five year period. However, no assurance can be given that SGOF 's investment objective will be achieved, and investment results may vary substantially on a monthly, quarterly and annual basis. Silvercrest believes that SGOF's investment objective can be achieved with a well-constructed investment program utilizing a select group of experienced managers ("Designated Managers") that employ multiple strategies on a global basis. The Designated Managers will be selected by Silvercrest in accordance with the investment process described below. Silvercrest will invest the assets of SGOF with Designated Managers either through becoming a participant in a pooled investment vehicle or by placing assets of SGOF in a managed account (each, an "Underlying Fund")

SGOF is designed to be global in focus, seeking to invest, as opportunities become available, in Underlying Funds targeting what Silvercrest views as compelling opportunities. SGOF's investment program will attempt to identify Designated Managers that will, among other things, (i) profit opportunistically from perceived market dislocations, (ii) identify deep-value investment situations, (iii) invest globally in regions that Silvercrest believes are prospects for potentially high growth, and (iv) identify deeply discounted or distressed securities, employing these and other opportunistic strategies. It is intended that both public, liquid trading strategies and private, longer term, illiquid strategies in the U.S. and international markets will be employed by the different Underlying Funds. SGOF's long-term above-average returns are anticipated by Silvercrest to be substantially independent of general market conditions with low correlation to U.S. and global equity indices. As such, Silvercrest believes that SGOF should represent a source of portfolio diversification and should complement traditional equity and bond market holdings.

The investment strategies, approaches, and techniques discussed herein may evolve over time due to, among other things, market developments and trends, the emergence of new or enhanced investment products, changing industry practice and/or technological innovation. As a result, these investment strategies, approaches, and techniques may not reflect the investment strategies, approaches, and techniques actually employed by SGOF or the Designated Managers. Nevertheless, the investments made on behalf of SGOF will be consistent with the Partnership's investment objective.

SGOF’s investment program entails substantial risks and there can be no assurance that the investment objective of SGOF will be achieved. The practices of short selling, leverage and other investment techniques which the partnership and the designated managers with which the partnership invests may employ from time to time can, in certain circumstances, maximize the adverse impact of adverse market conditions or events to which the partnership's or the designated manager's investment portfolio may be subject.

4. SMAPA, SMAPP and SMSSF (the “Muni Funds”)

(a) Investment Strategies of the Muni Funds

The investment objective of the Muni Funds is to provide a high level of current income primarily exempt from federal income taxation through investments in securities that also provide the Muni Funds the ability to generate capital appreciation. The Muni Funds seek to achieve their investment objectives by investing at least 80% of its assets in municipal obligations. These municipal securities generally include general obligation bonds, which are backed by the full faith and credit of the issuer and may be repaid from any revenue source, and revenue bonds, which may be repaid only from the revenue of a specific facility or source. The Muni Funds will generally invest in municipal bonds that pay interest that is exempt from regular federal income tax.

Municipal bonds pay interest that is exempt from the regular federal income tax, although income from these bonds may be subject to the federal alternative minimum tax and state and local taxes. Typically, investors look to municipal bonds as a purely defensive instrument for protecting principal. This focus on principal protection generally achieves low current income and low returns on such investments. However, Silvercrest believes that high income and high yield bonds that meet intelligent risk-reward criteria can be an excellent path to tax-free income and higher returns, and that compounding tax-free income at high rates is a potent force for consistent risk-adjusted growth.

The Muni Funds invest their assets in municipal securities without regard to maturity level, geographical location, or credit ratings. At any given time, the Muni Funds could invest all of its assets in municipal securities that are below investment grade quality. The Muni Funds may invest in short-term investments, such as short-term, high quality municipal bonds or tax-exempt money market funds. The Muni Funds may invest in short-term, high quality taxable bonds or shares of taxable money market funds if suitable short-term municipal bonds or shares of tax-exempt money market funds are not available at reasonable prices and yields.

Silvercrest tends to focus on municipal issuers that offer services that are viewed as essential in the communities in which they are located. From time to time these issuers that provide essential services may experience transitory financial stress. However, due to their essential role in the fabric of the community these issuers often find multiple sources of both traditional and non-traditional financial support. While these sources may be difficult to forecast, they provide an additional source of funding often ignored by more traditionally focused municipal bond investors, thereby creating opportunities to generate above-market rates of return.

The Muni Funds' primary investment strategy focuses on identifying value-based opportunities in the secondary municipal bond market where Silvercrest believes that the secondary market offers value opportunities that are often overlooked by investors. Silvercrest tends to focus on those issuers that provide services essential to the community they serve. In addition, Silvercrest tends to take advantage of periodic market dislocations and inefficiencies which sometimes occur when (i) market participants trade on emotion and overreact to news or other events, or (ii) when there is forced selling by current debt holders caused by the implications of a downgrade in a municipal credit's debt rating.

Each investment decision of Silvercrest is grounded in quantitative and qualitative research and proprietary analysis. While the Muni Funds do not intend to focus on "new issues" of municipal securities in the primary market, they may, from time to time, invest in such "new issues" if Silvercrest feels that the particular "new issue" is appropriately priced and undervalued.

Silvercrest's investment philosophy centers around four principles:

1. *Choosing securities, not markets:* Silvercrest evaluates municipal bond credits on an individual basis and allocates capital to those that are believed to be the most attractive.
2. *Appropriate Risk Management:* Silvercrest considers risk management to be a crucial component in portfolio construction and focuses on intelligent risk/reward management in an effort to optimize the Muni Funds' performance. While risk in the municipal market industry cannot be avoided, Silvercrest believes that it can be actively managed. Through Silvercrest's research and proprietary analysis in determining which municipal securities represent real value versus perceived value, it believes that security-specific risk can be mitigated.
3. *Value Investment Focus:* Using research and proprietary analysis, Silvercrest focuses its attention on those securities that it believes represent the best value. Silvercrest's security

evaluations are founded upon a particular security exhibiting strong fundamentals, professional insight and the potential for enhanced returns.

4. *Consistent Discipline:* Silvercrest believes that consistency in its research and proprietary analysis is the hallmark of its discipline.

The foregoing descriptions of the investment discipline represent Silvercrest's present intentions in view of current market conditions and other factors. Silvercrest may vary the foregoing investment objectives, guidelines and restrictions to the extent it determines that doing so will be in the best interest of the Muni Funds.

The foregoing description is general and is not intended to be exhaustive. Investors must recognize that there are inherent limitations on all descriptions of investment processes due to the complexity, confidentiality and subjectivity of such processes. In addition, the description of virtually every strategy must be qualified by the fact that investment approaches are continually changing, as are the markets in which the Muni Funds invest.

(b) Risks Associated Specifically With the Muni Funds

Credit Risks: The Muni Funds are subject to the risk that issuers of instruments in which they invest and trade (including governmental entities) may default on their obligations under such instruments and that certain events may occur which have an immediate and significant adverse effect on the value of such instruments. There can be no assurance that an issuer of an instrument in which the Muni Funds invest will not default or that an event which has an immediate and significant adverse effect on the value of such instruments will not occur, and that the Muni Funds will not sustain a loss on a transaction as a result.

Accuracy of Public Information: Silvercrest selects investments for the Muni Funds, in part, on the basis of information and data filed by issuers with various government regulators or made directly available to Silvercrest by the issuers or through sources other than the issuers. Silvercrest may not be 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 available.

Loss in Value of Municipal Bonds: Like other fixed income investments, upon an increase in interest rates, the value of municipal bonds generally decline.

Geographic Concentration: The Muni Funds may invest in municipal bonds issued by credits in relatively close geographic proximity. Economic conditions can affect issuers of municipal bonds on a regional basis. To the extent that the Muni Funds invest in municipal bonds issued by credits in close geographic proximity, and that region suffers from an adverse economic condition, the Muni Funds may suffer a disproportionately large decrease in the Muni Funds' net asset value.

Municipal Market Liquidity: The Muni Funds may be adversely affected by the lack of market liquidity for certain instruments traded by the Muni Funds.

Valuation: The lack of liquidity for certain securities owned by the Muni Funds may create difficulty for Silvercrest in determining the fair value of such securities when calculating the

Muni Funds' net asset value. Actual amounts realized on the disposition of securities may differ materially from the fair value assessed by Silvercrest.

Availability of Investment Strategies: The success of the Muni Funds' trading activities will depend on Silvercrest's ability to identify appropriate investment opportunities and to exploit price discrepancies in the capital markets. Identification and exploitation of the investment strategies to be pursued by the Muni Funds involves a high degree of uncertainty. No assurance can be given that Silvercrest will be able to locate suitable investment opportunities in which to deploy all or any portion of the Muni Funds' capital. A reduction in the volatility and pricing inefficiency of the markets in which the Muni Funds will seek to invest, as well as other market factors, will reduce the scope for the Muni Funds' strategy.

Tax Exemption of Municipal Bonds: Although the Muni Funds expect to invest primarily in bonds that give rise to tax exempt interest for U.S. federal income tax purposes, a significant portion of the Muni Funds' investments may be taxable. In addition, the Muni Funds will recognize taxable gain or loss, if any, on the disposition of bonds. Further, the IRS may seek to recharacterize as taxable the Muni Funds income that is expected to be tax-exempt. A municipality's failure to comply with certain requirements regarding the use and investment of the proceeds from its bonds may cause interest on its bonds to be includable in gross income for U.S. federal income tax purposes, retroactive to the date of issuance, regardless of when the noncompliance occurs. None of the Muni Funds, Silvercrest or their counsel has passed or will pass upon, nor assumes any responsibility for, any of the tax aspects of the municipal bonds in which the Muni Funds invest, including, without limitation, bond counsel's tax opinion or the initial or continuing status of interest on the bonds as excludable from gross income for U.S. federal income tax purposes. The Muni Funds' borrowings, if any, generally will not be deductible for U.S. federal income tax purposes.

Municipal Market Disruption Risk: The value of municipal securities may be affected by uncertainties in the municipal market related to legislation or litigation involving the taxation of municipal securities or the rights of municipal securities holders in the event of a bankruptcy. Proposals to restrict or eliminate the federal income tax exemption for interest on municipal securities are introduced before Congress from time to time. Proposals also may be introduced before a particular state legislature that would affect the state tax treatment of a municipal fund's distributions. If such proposals were enacted, the availability of municipal securities and the value of a municipal fund's holdings would be affected, and Silvercrest would reevaluate the Muni Funds' investment objectives. Municipal bankruptcies are relatively rare, and certain provisions of the U.S. Bankruptcy Code governing such bankruptcies are unclear and remain untested. Further, the application of state law to municipal issuers could produce varying results among the states or among municipal securities issuers within a state. These legal uncertainties could affect the municipal securities market generally, certain specific segments of the market, or the relative credit quality of particular securities. Any of these effects could have a significant impact on the prices of some or all of the municipal securities held by the Muni Funds.

Market Dislocation and Illiquidity: Recent events in the sub-prime mortgage market and other areas of the fixed income markets in the United States have caused significant dislocations, illiquidity and volatility in the structured credit, leveraged loan and high-yield bond markets. These events have had repercussions on the global financial markets, including the markets in which the Muni Funds trade and invest, by restricting the availability of credit generally, and reducing liquidity levels across virtually all markets globally. The foregoing events could lead to an overall weakening of the U.S. and global economies. Any resulting economic downturn could adversely affect certain of the Muni Funds' investments. Such marketplace events also may restrict the ability of the Muni Funds to sell or liquidate investments at favorable times and/or for favorable prices and/or cause the Muni Funds to have limited access to credit. The Muni Funds may be adversely affected by a decrease in market liquidity (e.g., by impairing the Muni Funds' ability to adjust their positions and risk in response to trading losses or other adverse developments). The size of Muni Fund positions may magnify the effect of a decrease in market liquidity for the instruments traded. Changes in the overall market leverage (e.g., deleveraging or liquidations by other market participants of the same or similar positions) also may adversely affect the Muni Funds' positions.

Put Features: Put features entitle the holder to sell a security back to the issuer at any time or at specified intervals. In exchange for this benefit, the Muni Funds may accept a lower interest rate. Securities with put features are subject to the risk that the put provider is unable to honor the put feature (purchase the security).

High Yield Securities: The Muni Funds invest in high yield securities. High yield securities, which are typically rated as below investment grade, may be regarded as predominantly speculative with respect of the issuer's (including a governmental and non-governmental issuer) continuing ability to meet principal and interest payments. Analysis of the creditworthiness of issuers of high yield securities may be more complex than for issuers of higher quality debt securities. High yield securities may be more susceptible to real or perceived adverse economic and competitive industry conditions than higher grade securities. The prices of high yield securities have been found to be less sensitive to interest rate changes than more highly rated investments, but more sensitive to adverse economic downturns or individual municipal or corporate developments. If the issuer of high yield securities defaults, the Muni Funds may incur additional expenses to seek recovery. The secondary markets on which high yield securities are traded may be less liquid than the market for higher grade securities. Less liquidity in the secondary trading markets could adversely affect and cause large fluctuations in the Muni Funds'. Adverse publicity and investor perceptions, whether or not based on fundamental analysis, may decrease the value and liquidity of high yield securities, especially in a thinly traded market.

Interest Rate Changes: Debt securities have varying levels of sensitivity to changes in interest rates. In general, the price of a debt security can fall when interest rates rise and can rise when interest rates fall. Securities with longer maturities and mortgage securities can be more sensitive to interest rate changes. In other words, the longer the maturity of a security, the greater the impact a change in interest rates could have on the security's price. In addition, short-term and long-term interest rates do not necessarily move in the same amount or the same direction. Short-term securities tend to react to changes in short-term interest rates, and long-term securities tend to react to changes in long-term interest rates.

Inflation Risk: Inflation risk results from the variation in the value of cash flows from a security due to inflation, as measured in terms of purchasing power. For example, if the Fund purchases a one-year bond in which it can realize a coupon rate of five percent (5%), but the rate of inflation is six percent (6%), then the real purchasing power of the cash flow has declined. For all but inflation linked bonds, adjustable bonds or floating rate bonds, the Muni Funds is exposed to inflation risk because the interest rate the issuer promises to make is fixed for the life of the security. To the extent that interest rates reflect the expected inflation rate, floating rate bonds have a lower level of inflation risk. The Muni Funds' intermediate maturity/duration strategy mitigates, but does not eliminate, inflation risk.

Prepayment: Many types of debt securities are subject to prepayment risk. Prepayment occurs when the issuer of a security can repay principal prior to the security's maturity. Securities subject to prepayment can offer less potential for gains during a declining interest rate environment and similar or greater potential for loss in a rising interest rate environment. In addition, the potential impact of prepayment features on the price of a debt security can be difficult to predict and result in greater volatility.

Maturity Risk: In certain situations, the Muni Funds may purchase a bond of a given maturity as an alternative to another bond of a different maturity. Ordinarily, under these circumstances, the Muni Funds will make an adjustment to account for the interest rate risk differential in the two bonds. This adjustment, however, makes an assumption about how the interest rates at different maturities will move. To the extent that the yield movements deviate from this assumption, there is a yield-curve or maturity risk. Another situation where yield-curve risk should be considered is in the analysis of bond swap transactions where the potential incremental returns are dependent entirely on the parallel shift assumption for the yield curve.

5. SSGEF

SSGEF is a fund of funds that invests all of its assets in investment partnerships, investment vehicles (which may be listed or unlisted) and/or segregated accounts, listed or unlisted), the underlying investments of which are managed by investment managers selected by Silvercrest (each an "Investment Manager", and collectively, the "Investment Managers"). SSGEF enters into agreements with these SSGEF Investment Managers to manage SSGEF's assets. Silvercrest may also hold cash on deposit for pending investment, to meet redemptions and to pay expenses of SSGEF.

The Investment Managers selected by Silvercrest to manage SSGEF's assets will primarily represent management styles that focus on achieving long-term capital appreciation.

In its selection process, Silvercrest will favor investment managers whose investment programs emphasize primarily long-only, equity strategies and approaches across market capitalizations. It is noted that the Investment Managers will not be permitted to use investment strategies that stress shorting and/or other "hedging-type" instruments unless expressly authorized by Silvercrest. Notwithstanding the foregoing, Silvercrest has broad investment authority and therefore may select managers who employ investment strategies including strategies that stress shorting and other hedging-type instruments, fixed income or other investments.

The Investment Managers will have discretion to invest SSGEF's assets according to their individual philosophy and strategy, independent of the other Investment Managers retained by

SSGEF; provided, however, they will do so in accordance with the individual agreements negotiated between Silvercrest and each Investment Manager.

Notwithstanding the foregoing, there are no limitations on the investment instruments, sectors or methodologies that the Investment Managers retained on behalf of SSGEF may employ now or in the future, aside from those discussed herein. It is noted that Silvercrest has the right, subject to the terms of any agreement with the Investment Managers, to dismiss any Investment Manager at any time, without prior notice to the limited partners of SSGEF.

Silvercrest will attempt to structure a diversified portfolio which reduces risk, preserves capital and maximizes return by selecting a group of Investment Managers with complementary expertise. As market conditions dictate, Silvercrest may from time to time add or remove Investment Managers in various investment disciplines or rebalance SSGEF assets between the then-existing or new Investment Managers.

Generally, Silvercrest and the Investment Managers will not be subject to any investment restrictions in the management of SSGEF. Silvercrest however, reserves the right to impose restrictions upon the Investment Managers if Silvercrest considers such restrictions beneficial to the overall performance of SSGEF.

While SSGEF invests its assets primarily in accordance with the manner discussed above, SSGEF has broad and flexible investment authority. In order to maintain flexibility and to capitalize on investment opportunities as they arise, SSGEF is not required to invest any particular percentage of its portfolio in any type of investment or region, and the amount of SSGEF's portfolio which is invested in any type of investment, which is long or short, or which is weighted in different countries, different sectors or different strategies can change at any time based on the availability of attractive market opportunities. Accordingly, SSGEF's investments may at any time include long or short positions in U.S. or non-U.S., publicly traded or privately issued or negotiated common stocks, preferred stocks, stock warrants and rights, sovereign debt, corporate debt, bonds, notes or other debentures or debt participations, convertible securities, swaps, options (purchased or written), futures contracts, commodities and other derivative instruments, partnership interests and other securities or financial instruments including those of investment companies.

SSGEF may be deemed to be a speculative investment and is not intended as a complete investment program. It is designed for sophisticated persons who are able to bear the risk of the complete loss of their entire investment in the partnership. There can be no assurance that SSGEF will achieve its investment objective.

6. Silvercrest International Fund, LP ("SIF")

(a) Investment Strategies of SIF

SIF has established separate "segregated series" of limited partnership interests (each a "Series", and collectively, the "Series"). Each Series has a separate investment program. Investors may purchase limited partnership interests in one or more of such Series.

Each Series seeks to achieve capital appreciation through a program of investment in managed funds, registered open-end and closed-end investment companies and other investment vehicles and accounts that invest or trade primarily in the securities of non-U.S. companies. In order to achieve its objective, Silvercrest selects and allocates each Series' funds among several professional money managers ("Underlying Managers"). It is anticipated that the Underlying Managers selected by Silvercrest will, in general, invest primarily in equity securities (including margin borrowing), but will also invest in currencies, convertible bonds, preferred stocks (convertible and otherwise), warrants or rights, fixed-income securities of non-U.S. issuers, and to a lesser extent swaps, options, futures, forward contracts and options on forward contracts. Each Series may also directly invest in any of the aforementioned securities, including securities listed on any stock exchange or represented by American depository receipts listed on a domestic securities exchange or traded in the U.S. over-the-counter markets.

SIF provides each limited partner with the ability to customize his exposure by dividing the Underlying Managers among separate Series, as follows:

The Master Series: The assets of the Master Series are allocated to Underlying Managers that provide broad coverage of international markets, spanning developed, emerging and frontier markets. The Master Series obtains its exposure to Underlying Managers focusing on emerging and frontier international markets by investing in the Emerging Market Series.

The Emerging Market Series: The assets of the Emerging Market Series are allocated to Underlying Managers that focus on emerging and frontier international markets. Emerging markets represent those countries progressing toward advanced stage economies generally defined as having liquid equity and debt markets, regulation and market exchange. Emerging markets are generally perceived as indicating rapid economic growth where consumer spending could match that of developed economies over time. The Emerging Market Series obtains its exposure to Underlying Managers focusing on frontier international markets by investing in the Frontier Market Series.

The Frontier Market Series: The assets of the Frontier Market Series are allocated exclusively to Underlying Managers that focus on frontier international markets. Frontier markets represent those with lower market capitalizations and less liquidity than emerging markets in general. Frontier markets may offer the potential of higher returns with lower correlations to other markets and typically have rapidly growing economies, and emerging middle class and abundant natural resources. Over time, as they evolve, frontier markets may become increasingly liquid and take on the characteristics of emerging markets. Frontier markets also tend to be less stable than developed or emerging markets. Many of the Underlying Managers who may be utilized by the Series have account minimums and/or organizational structures which would make it impossible or imprudent for many investors to place funds directly with these firms. In addition, because of their focus on international investment, the Underlying Managers selected by Silvercrest may have access to information about non-U.S. securities markets and companies which would be difficult for individuals to obtain.

Each Series is designed to mitigate, but not eliminate, certain of the attendant economic and structural risks of investing with a single Underlying Manager or in a single market by allocating such Series' funds among several Underlying Managers. These Underlying Managers will have expertise in different areas of international investment, including investing and trading in marketable securities (both long and short), leverage (including margin borrowing), hedging, currencies, and, to a limited extent, trading in futures. It is intended that each Underlying Manager chosen by Silvercrest will have a distinct investment philosophy, and Silvercrest will attempt to allocate each Series' assets among Underlying Managers to achieve an allocation of assets among regions, countries, sectors, industries and companies.

Each Series may invest any amounts not otherwise invested with Underlying Managers in certificates of deposit, money market funds, or other cash equivalents, including U.S. Treasury obligations.

Each Series may be deemed to be a speculative investment and is not intended as a complete investment program. It is designed only for sophisticated persons who are able to bear the risk of the loss of their entire investment in such Series.

(b) Risks Associated Specifically with SIF

While Section 17-218 of the Delaware Revised Uniform Limited Partnership Act provides a statutory basis for the segregation of assets and liabilities of each Series, there is risk that the segregation may not be respected in certain circumstances. While certain states other than Delaware have similar statutory provisions permitting segregated series within a limited partnership, most states, including, without limitation, New York, do not. Presumably, those states with similar statutory provisions would enforce the segregation of the assets and liabilities of each Series. Those states that do not have a corresponding statute, however, may not enforce the segregation in the event that a dispute involving the Partnership and/or a Series was governed by the law of that state. Additionally, the segregation of the assets and liabilities of each Series has not been tested under U.S. bankruptcy law, and it is possible that a U.S. bankruptcy court would fail to respect the segregation of the assets and liabilities. In any such event, creditors of one Series may have recourse to the assets attributable to one or more of the other Series.

Investment in emerging and frontier market securities involves a greater degree of risk than an investment in securities of issuers based in developed countries. Among other things, emerging and frontier market securities investments may carry the risks of less publicly available information, more volatile markets, less strict securities market regulation, less favorable tax provisions, a greater likelihood of severe inflation, unstable currency, war and expropriation of personal property. In addition, a Series' investment opportunities in certain emerging and frontier markets may be restricted by legal limits on foreign investment in local securities. Emerging and frontier markets generally are not as efficient as those in developed countries. In some cases, a market for the security may not exist locally, and transactions will need to be made on a neighboring exchange. Volume and liquidity levels in emerging and frontier markets are lower than in developed countries. When seeking to sell emerging and frontier market securities, little or no market may exist for the securities. In addition, issuers based in emerging and frontier markets are not generally subject to uniform accounting and financial reporting standards, practices and requirements comparable to those applicable to issuers based in developed countries, thereby potentially increasing the risk of fraud or other deceptive practices. Furthermore, the quality and reliability of official data published by government or securities exchanges in emerging and frontier markets may not accurately reflect the actual circumstances being reported.

The risks and conflicts associated with all Funds, set forth in II.B. below, entitled "Risks and Conflicts of Interest Associated With All of The Funds" are compounded in the case of SIF in the sense that conflicts could exist by, between, and among each Series in addition to by, between, and among each Fund.

7. SMNF

Because SMNF is in liquidation, its investment strategy is simply to effect an orderly liquidation of assets and to maximize the distribution of proceeds to investors.

8. Silvercrest Small Cap, L.P. ("SSCF")

(a) Investment Strategies of SSCF

SSCF seeks to achieve capital appreciation through a program of investment in managed funds and other investment vehicles that invest or trade primarily in marketable securities of small cap (market capitalization of less than $1 billion) and micro cap (market capitalization of less than $300 million) companies traded in the United States. SSCF will select and allocate its funds among professional money managers ("Underlying Managers") with specialized expertise in investing in small cap and micro cap companies who utilize different investment strategies.

Silvercrest believes that small cap and micro cap issuers often have sales and earnings growth rates exceeding those of larger companies, and that these growth rates tend to cause more rapid share price appreciation. Investment in small cap and micro cap stocks, however, involves greater risk than is associated with larger, more established companies. The micro cap stocks in which SSCF may be invested may be issued by companies with capitalizations of less than $50 million. It is anticipated that the Underlying Managers selected by Silvercrest will invest in equity securities, convertible bonds, convertible preferred stocks, warrants or rights, fixed-income securities and other financial instruments of small cap and micro cap issuers. SSCF may also directly invest in any of the aforementioned securities. While most of SSCF's investments will be with Underlying Managers investing in small cap and micro cap companies, Silvercrest reserves the right to make investments with Underlying Managers who pursue other investment strategies which Silvercrest believes are consistent with SSCF's objective.

In order to achieve its objective, Silvercrest will select and allocate SSCF's funds among several professional Underlying Managers. Many of the Underlying Managers who may be utilized by SSCF have account minimums and/or organizational structures which would make it impossible or imprudent for many investors to place funds directly with these firms. In addition, because of their focus on investment in small cap and micro cap companies, some of which may not be well known to the investing public, the Underlying Managers selected by Silvercrest may have access to information about companies which would be difficult for individuals to obtain.

SSCF is designed to mitigate, but not eliminate, certain of the attendant economic and structural risks of investing with a single Underlying Manager by allocating SSCF's funds among several Underlying Managers. These Underlying Managers will have expertise in investing and trading in marketable securities both long and short, leverage and hedging. Each Underlying Manager chosen by Silvercrest will have a distinct investment philosophy and Silvercrest will attempt to allocate assets among Underlying Managers to achieve an allocation of assets among sectors, industries and companies.

9. Silvercrest Special Situations L.P. ("SSSF")

(a) Investment Strategies of SSSF

SSSF is a multi-manager fund established to provide investors with an opportunity to participate in non-traditional strategies. SSSF intends to diversify its investments among a number of managers who make use of varying degrees of leverage, hedging and arbitrage. SSSF's investments in hedge funds, risk arbitrage funds, bankruptcy/distressed securities funds and certain other investment strategies will be made through a program of investment in funds and other investment vehicles managed by professional ("Underlying Managers") with specialized expertise in these investment strategies. It is anticipated that the Underlying Managers selected by Silvercrest will invest in equity securities, convertible bonds, convertible preferred stocks, warrants or rights, fixed-income securities, currencies and other financial instruments. SSSF may also directly invest in any of the aforementioned securities. While most of SSSF's investments will be in hedge funds, risk arbitrage funds and bankruptcy/distressed securities funds, Silvercrest reserves the right to make investments with Underlying Managers who pursue other investment strategies which the Investment Manager believes are consistent with SSSF's objective.

SSSF intends to build a portfolio of investments with different liquidity, duration and leverage. SSSF does not anticipate that it will commit more than 40% of its capital to Underlying Managers or investment funds that pursue any one investment strategy (measured at the time of investment). SSSF is designed to mitigate, but not eliminate, certain of the attendant economic and structural risks of investing with a single Underlying Manager or in a single market by allocating SSSF's funds among several Underlying Managers across several asset classes.

10. The Aston Fund

(a) Principal Strategies of the Aston Fund

Under normal circumstances, the Aston Fund invests at least 80% of its assets in common stocks and other equity securities of small-cap companies. The Aston Fund considers companies with market capitalizations below $3 billion at the time of acquisition to be small-cap. The portfolio manager invests in companies that it believes to be undervalued at the time of purchase. These companies typically possess, in the opinion of the portfolio manager, one or more of the following attributes:

- business that results in relatively consistent longer-term earnings and cash flow growth,
- franchise/asset value that may make the company attractive to potential acquirers,
- cyclically depressed earnings and/or cash flow that has potential for improvement, or
- a catalyst that will promote recognition of the company's undervalued status.

The Aston Fund may also invest in securities of companies outside the small-cap range, preferred stock, convertible securities and real estate investment trusts ("REITs"). The portfolio manager employs a strategy of diversification, and adheres to a structured sell discipline.

11. Silvercrest Commodity Strategies LP ("SCF")

(a) Investment Strategies of SCF

The investment objective of SCF is to seek superior risk-adjusted returns through strategic, sector-based investments with commodity and macro trading investment managers. SCF pursues this objective by allocating its assets to a select group of third party portfolio managers that employ a range of trading strategies principally in SCF's core markets, which are the commodity, currency, fixed income and equity markets. Accordingly, the assets of SCF will be invested in limited partnerships and similar entities ("Investment Funds") or traded in separate accounts ("Managed Accounts") managed by portfolio managers. SCF seeks investment returns by: (1) capturing profits from major market movements arising from significant macroeconomic and inflationary events and (2) employing non-directional strategies, including volatility-based and relative value-based methods. Silvercrest Asset Management Group LLC (the "Investment Adviser") selects the portfolio managers and determines the allocations and reallocations of SCF's assets to the portfolio managers. The Investment Adviser may add or replace portfolio managers at any time, without notice to limited partners.

The Investment Adviser believes that commodity and macroeconomic based investment strategies, influenced by global economic imbalances, geopolitical crosscurrents, currency movement and inflation shifts, can provide impressive returns even during declining equity and bond markets. Importantly, the Investment Adviser is focused on risk-adjusted return, striving to reduce risk to the extent possible without sacrificing return.

Within SCF's core markets, the Investment Adviser allocates partnership assets across three complementary, diversified trading strategies: directional, volatility-based and relative value. The allocations will seek to balance the value of diversification with the benefit of opportunistic strategic weighting. Directional strategies will provide the foundation of SCF's exposure by targeting major, global market opportunities that can provide significant profit during periods of inflation or global economic shifts. Volatility-based strategies, typically of short term nature, complement directional strategies by taking advantage of non-directional markets. Relative value strategies, including arbitrage within and between markets, seek opportunities that are generally independent of those targeted in directional and volatility oriented strategies.

In selecting prospective portfolio managers, the Investment Adviser separates candidates by strategy and assesses them for performance across market cycles, consistency, risk management, depth and experience of staff, and correlation with peer managers. For candidates passing this first qualifying screen, a comprehensive on and off-site due diligence evaluation follows to analyze historical attribution, risk control through periods of market stress, changes in investment methodology and operational procedures. Lastly, interviews are conducted with executive, trading, compliance and administration staff. It is significant to the Investment Adviser that a prospective portfolio manager has a substantial personal investment in its fund or program.

To develop SCF's portfolio, the Investment Adviser blends strategy allocation with manager evaluation. This exercise goes beyond selecting the top managers in each strategy as other considerations, including further diversification by investment methods (global macro, trend following, inter and intra-market arbitrage, fundamental analysis, probabilistic modeling, volatility trading, flow trading, etc), affect the selection process. Throughout the final selection process maximizing risk-adjusted absolute return and increasing the stability of performance remain the guiding principles. Portfolio manager selection and portfolio analysis are ongoing processes, with additions and removals of portfolio managers, as well as reallocations among portfolio managers, evaluated monthly.

In addition to the Investment Adviser's methodology of diversifying across markets, strategies and methods, the Investment Manager's risk management controls are based on regular monitoring and analysis of portfolio managers. Portfolio managers are monitored for unusual characteristics of performance, attribution, leverage, staff turnover and asset growth. The Investment Adviser uses frequent communication with portfolio managers and regular due diligence reviews to monitor risk and may supplement this analysis with third-party risk consulting. Furthermore, any one portfolio manager's allocation is limited to no more than 20% of SCF's net assets (although generally the Investment Adviser expects to allocate less than 8% of SCF's net assets to any one portfolio manager). The effectiveness of the Investment Adviser's tactical allocation by strategy and Portfolio Manager selection is assessed regularly through comparisons with indexes.

It is possible that some or all of the Investment Funds or Managed Accounts may invest in newly issued securities. The regulations of the Financial Industry Regulatory Authority, Inc. ("FINRA") may prohibit certain persons, known as restricted persons, from participating in the profits or losses generated by investments in new issues. If a limited partner is a restricted person as defined under FINRA regulations and cannot share in any profits or losses generated by an investment in new issues, these profits or losses will be allocated to other limited partners who are not restricted persons.

Portfolio managers may borrow money from brokerage firms and banks on a demand basis to enable them to buy and sell short investments in excess of their capital, although SCF will not borrow to fund investments. The investment vehicles in which SCF invests may be further leveraged by leverage inherent in certain derivative products, such as the writing of calls and puts or the use of commodity futures contracts and commodity options contracts.

The Investment Adviser may invest SCF funds temporarily in U.S. government obligations, money market accounts or other short-term interest-bearing accounts. SCF may borrow money on a secured or unsecured basis from banks for cash management purposes, and will pay interest on such borrowed monies. There is no self-imposed limit on the amount that SCF may borrow.

As the strategies utilized by the Investment Adviser are proprietary and confidential, the above discussion is necessarily of a general nature and is not intended to be exhaustive.

The performance results for SCF are available upon request. **PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.**

SCF'S TRADING AND INVESTMENT STRATEGIES INVOLVE SUBSTANTIAL RISK. THERE CAN BE NO ASSURANCE THAT THE INVESTMENT OBJECTIVE OF SCF WILL BE ACHIEVED, OR THAT SCF WILL HAVE ANY PROFITS OR WILL NOT EXPERIENCE SUBSTANTIAL LOSSES.

(b) Risks Associated Specifically with SCF

Commodity-Related Securities. The production and marketing of commodities, and therefore of commodity related companies and investments, may be affected by actions and changes in governments. In addition, commodity-related investments may be cyclical in nature. During periods of economic or financial instability, commodity-related investments may be subject to broad price fluctuations, reflecting volatility of energy and basic material prices and possible instability of supply of various commodities. Commodity-related investments may also experience greater price fluctuations than the relevant commodity. In period of rising commodity prices, such investments may rise at a faster rate; and conversely, in times of falling commodity prices, such investments may suffer a greater price decline.

Commodity Interests. Commodity prices fluctuate for many reasons, including changes in market and economic conditions or political circumstances (especially of key energy-producing and consuming countries), the impact of weather on demand, levels of domestic production and imported commodities, energy conservation, domestic and foreign governmental regulation (agricultural, trade, fiscal, monetary and exchange control), international politics, policies of OPEC taxation and the availability of local, intrastate and interstate transportation systems and the emotions of the marketplace. The risk of loss in trading commodities can be substantial. If an Investment Fund or Managed Account purchases a commodity option, it may sustain a total loss of the premium and of all transaction costs. If an Investment Fund or Managed Account purchases or sells a commodity futures contract or sells a commodity option, it may sustain a total loss of the initial margin funds and any additional funds that it deposits with its broker to establish or maintain its position. If the market moves against its position, the Investment Fund or Managed Account may be called upon by its broker to deposit a substantial amount of additional margin funds, on short notice, in order to maintain its position. If it does not provide the requested funds within the prescribed time, its position may be liquidated at a loss, and it will be liable for any resulting deficit in its account.

Commodity Futures Contracts. Trading in commodity interests may involve substantial risks. The low margin or premiums normally required in such trading may provide a large amount of leverage, and a relatively small change in the price of a security or contract can produce a disproportionately larger profit or loss. There is no assurance that a liquid secondary market will exist for commodity futures contracts or options purchased or sold, and an Investment Fund or Managed Account may be required to maintain a position until exercise or expiration, which could result in losses. Such illiquidity can be caused by intrinsic market conditions, the interrelationship between or among markets, or extrinsic factors like the imposition of daily price fluctuation limits. Futures positions may be illiquid because, for example, most U.S. commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits". Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. Futures contract prices on various commodities or financial instruments occasionally have moved to the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent an Investment Fund or Managed Account from promptly liquidating unfavorable positions and subject the Investment Fund or Managed Account to substantial losses. In addition, an Investment Fund or Managed Account may not be able to execute futures contract trades at favorable prices if trading volume in such contracts is low. It is also possible that an exchange or the CFTC may suspend trading in a particular contract, order immediate liquidation and settlement of a particular contract or order that trading in a particular contract be conducted for liquidation only. In addition, the CFTC and various exchanges impose speculative position limits on the number of positions that may be held in particular commodities. Trading in commodity futures contracts and options are highly specialized activities that may entail greater than ordinary investment or trading risks.

A. Risks and Conflicts of Interest Associated With All of The Funds

In addition to the Fund-specific risks listed above, what follows is a discussion of the risks associated with all of the Funds.

An investment in a Fund is highly speculative and involves a high degree of risk. Investment in a Fund is suitable only for sophisticated investors who fully understand and are capable of bearing the risks of an investment in a Fund. No guarantee or representation is made that the Fund will achieve its investment objective or that unit holders will receive a positive return on their capital. The following discusses certain risks and potential conflicts of interest. However, this list is not, and is not intended to be, an exhaustive list or a comprehensive description of the types of risks that any investor in a Fund may encounter, and other risks and conflicts not discussed below may arise in connection with the management and operation of the Fund.

A discussion of the firm’s use of broker-dealers is included in Item 12 of this document, entitled *Brokerage Practices*.

Business Risks

Systemic Risk: World events and/or the activities of one or more large participants in the financial markets and/or other events or activities of others could result in a temporary systemic breakdown in the normal operation of financial markets. Such events could result in the Designated Managers losing substantial value caused predominantly by liquidity and counterparty issues (as noted above), which could result in a Fund incurring substantial losses.

Competition: The securities industry, the various financial markets in which the Designated Managers participate and the varied strategies and techniques engaged in by the Designated Managers selected by Silvercrest are extremely competitive and each involves a high degree of risk. Each Fund and its Designated Managers compete with firms, including many of the larger securities and investment banking firms, which have substantially greater financial resources and research staffs.

Quantitative Models: Certain Designated Managers may trade on the basis of non-discretionary mathematical trading models. Generally, such models are programmed to identify investment opportunities based on the occurrence of specified events and/or situations. Should such events and/or situations not occur, the models may not generate any investment opportunities and/or profits. Further, the reliance on a model may cause a Designated Manager to not act on the occurrence of an event and/or situation that would otherwise cause the Designated Manager to act.

No Separate Counsel: In almost all cases, the same law firm or firms will act as counsel to Silvercrest and to the Funds. No separate counsel has been retained to act on behalf of limited partners.

Markets in which a Fund and the Sub-Funds may invest are subject to fluctuations, and the market value of any particular investment may be subject to substantial variation. Notwithstanding the existence of a public market for particular financial instruments, such instruments may be thinly traded or may cease to be traded after an investment is made in them. In addition to being relatively illiquid, such instruments may be issued by unstable or unseasoned issuers or may be highly speculative. No assurance can be given that the Fund's investments will appreciate in value.

Risk of Loss: An investment in a Fund is speculative and involves significant risk. The profitability of each Fund depends upon Silvercrest and the Sub-Fund Managers correctly assessing the future price movements of the securities, commodities and other financial instruments in which the Sub-Funds invest and the movement of interest rates. These price movements may be volatile and are subject to numerous factors which are neither within the control of nor predictable by Silvercrest or the Sub-Fund Managers. Such factors include, without limitation, a wide range of economic, political, competitive, market, legal, operational and other conditions or events (including, without limitation, natural disasters, acts of terrorism or war) which may affect investments in general or a specific security, commodity or other financial instrument in which the Sub-Funds invests. There can be no assurance that Silvercrest or the Sub-Fund Managers will be successful in accurately predicting price movements. Accordingly, unit holders may incur substantial losses on their investments in a Fund, and it is possible that a Fund’s performance will fluctuate substantially from period to period.

High Risk Investing: Substantial risks are involved in investing in securities. The prices of many of the securities in which a Fund and the Sub-Funds trade are highly volatile and market movements are difficult to predict. Moreover, the value of the Fund's investment positions may be subject to decreases as a result of general economic conditions and/or adverse effects upon the companies in which a Fund, directly or indirectly, owns securities.

Short Selling: A Fund and Sub-Funds may engage in short selling. Short selling involves directly or indirectly selling (or having the equivalent exposure) securities or other instruments which may or may not be owned and, at times, borrowing the same securities for delivery to the purchaser, with an obligation to replace any such borrowed securities at a later date. Short selling allows one to profit from declines in market prices to the extent such decline exceeds the transaction costs and any costs of borrowing. However, if the borrowed assets must be replaced by purchases at market prices in order to close out the short position, any appreciation in the price of the borrowed assets would result in a loss, which is theoretically unlimited in amount. Purchasing assets to close out the short position can itself cause the price to rise further, thereby exacerbating the loss. In addition, there are rules restricting or prohibiting short sales of equity securities in certain situations and market conditions, which may prevent one from executing short sales at the most desirable time. Short strategies can also be implemented synthetically through various instruments, be used with respect to indices or in the over-the-counter market and with respect to futures and other instruments. They can also be implemented on a leveraged basis. Lastly, even though a Fund or Sub-Fund secures a "locate" of the security sold short at the time of execution, the lending institution may recall the lent security at any time, thereby forcing that Fund or Sub-Fund to purchase the security at the then prevailing market price which may be higher than the price at which such security was originally sold short.

Option Transactions: The purchase or sale of an option involves the payment or receipt of a premium payment by the investor and the corresponding right or obligation, as the case may be, to either purchase or sell the underlying security or other instrument for a specific price at a certain time or during a certain period. Purchasing options involves the risk that the underlying instrument does not change price in the manner expected, so that the option expires worthless and the investor loses its premium. Selling options, on the other hand, involves potentially greater risk because the investor is exposed to the extent of the actual price movement in the underlying security in excess of the premium payment received.

A Fund and the Sub-Funds may purchase or sell customized options and other derivatives in the over-the-counter market that may have features different from traditional exchange-traded options (in which a Fund or the Sub-Funds may also invest) though they also share the same risks. These options and derivative instruments may also subject a Fund or such Sub-Funds to risk of default by the counterparty. Investments in these financial instruments may also be subject to additional risks such as interest rate and other risks.

The Funds' or the Sub-Fund's ability to close out a position as purchaser of an exchange-listed option would be dependent upon the existence of a liquid secondary market on an exchange. Among the possible reasons for the absence of a liquid secondary market on an exchange are (i) insufficient trading interest in certain options, (ii) restrictions on transactions imposed by an exchange, (iii) trading halts, suspensions or other restrictions imposed with respect to particular classes or series of options or underlying securities, (iv) interruption of the normal operations on an exchange, (v) inadequacy of the facilities of an exchange or similar facility to handle current trading volume or (vi) a decision by one or more exchanges to discontinue the trading of options (or a particular class or series of options), in which event the secondary market on that exchange (or in that class or series of options) would cease to exist, although outstanding options on that exchange would generally continue to be exercisable in accordance with their terms.

Leverage: As stated herein any Fund may borrow and may utilize various lines of credit, swaps, forward purchases and other forms of leverage. In addition, the Sub-Funds may also borrow and utilize leverage. While borrowing and leverage present opportunities for increasing total return, they have the effect of potentially increasing losses as well. If income and appreciation on investments made with borrowed funds are less than the cost of the leverage, the value of a Fund's Net Assets will decrease. Accordingly, any event which adversely affects the value of an investment by the Fund would be magnified to the extent leverage is employed. The cumulative effect of the use of leverage in a market that moves adversely to a leveraged investment could result in a substantial loss which would be greater than if leverage were not used. Generally, most leveraged transactions involve the posting of collateral. Increases in the amount of margin a Fund or a Sub-Fund is required to post could result in a disposition of that Fund's or Sub-Fund's assets at times and prices which could be disadvantageous to the Fund and could result in substantial losses. To the extent that a creditor has a claim on a Fund or a Sub-Fund, such claim would be senior to the rights of the Fund, the Sub-Fund and their investors. Leverage may be used in unlimited amounts and the equity base of a Fund or Sub-Fund could be small at times in relation to total assets which could result in the total loss of the Fund or Sub-Fund in extreme circumstances.

Silvercrest may place assets of a Fund or Funds with Underlying Managers by opening managed accounts. Given the leverage at which certain of the Underlying Managers trade, a managed account may expose a Fund to theoretically unlimited liability. In order to limit the liability of a Fund solely to the assets Silvercrest places in a particular managed account, Silvercrest may make managed account allocations through a separate investment vehicle. Other pooled investment vehicles managed by Silvercrest or its affiliates (which may include the General Partner) may also utilize such vehicles to make managed account allocations to limit their potential liability. Silvercrest will bear its proportionate share of the costs and expenses associated with the establishment and ongoing operation of such vehicles.

Concentration and Non-Diversification of Investments: Sub-Fund Managers may have overlapping strategies and thus could accumulate large positions in the same or related instruments without Silvercrest's knowledge. Even if known, Silvercrest's ability to avoid such concentration would depend on its ability to reallocate the Fund's capital among existing or new Sub-Fund Managers, which might not be feasible for several months until withdrawals and contributions are permitted by the Sub-Funds. Similarly, the Funds and Sub-Funds have the ability to concentrate their investments by investing a majority of their assets in a few issuers, or a single industry or country. To the extent they do concentrate in any of these ways, the overall adverse impact on a Fund of adverse developments in the business of such issuers, such industry or such country could be considerably greater than if its investments were not concentrated to such an extent.

Speculative Purchase of Securities: The Funds and the Sub-Funds make certain speculative purchases of securities of companies believed to be undervalued or that may be the subject of acquisition attempts, exchange offers, cash tender offers or corporate reorganizations. There can be no assurance that securities believed to be undervalued are in fact undervalued, or that undervalued securities will increase in value. Further, in such cases, a substantial period of time may elapse between a Fund's or a Sub-Fund's purchase of the securities and the acquisition attempt or reorganization. During this period, a portion of the Fund's or a Sub-Fund's capital would be committed to the securities purchased, and the Fund or Sub-Fund may finance such purchase with borrowed funds on which it would have to pay interest.

Swaps: Investments in swaps involve the exchange by a Fund or a Sub-Fund with another party of all or a portion of their respective interests or commitments. In the case of currency swaps, a party may exchange with another party their respective commitments to pay or receive currency. Use of swaps by a Fund or Sub-Fund subjects such party to risk of default by the counterparty. If there is a default by the counterparty to such a transaction, the Fund or Sub-Fund may have contractual remedies pursuant to the agreements related to the transaction. A Fund or Sub-Funds may enter into currency, interest rate, total return or other swaps which may be surrogates for other instruments such as currency forwards, interest rate options, and equity instruments. The value of such instruments generally depends upon price movements in the underlying assets as well as counterparty risk.

Forward Contract Markets: Designated Managers may trade forward contracts (and options on forward contracts). These securities are not traded on exchanges and are individually negotiated and therefore can be highly illiquid. The principals in forward contract markets are not required to continue to make such markets or to continue to deal in forward contracts of all currencies and/or commodities. In addition, forward contract markets are subject to significant disruptions, including through the intervention of governmental authorities. Therefore, Designated Managers that trade forward contracts may experience liquidity or other problems, and may incur substantial losses on such investments.

Default and Counterparty Risk: Some of the markets in which a Fund or the Sub-Funds will effect transactions are "over-the-counter" or "interdealer" markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange based" markets. This exposes the Funds and the Sub-Funds to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Fund or Sub-Fund to suffer a loss. In addition, in the case of a default, a Fund and the Sub-Fund could become subject to adverse market movements while replacement transactions are executed. Such "counterparty risk" is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where a Fund and the Sub-Fund has concentrated its transactions with a single or small group of counterparties. The Funds do not have, and Sub-Funds are unlikely to have, an internal credit function which evaluates the creditworthiness of its counterparties. The ability of the Funds and the Sub-Fund to transact business with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparties' financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Funds.

Small Companies: A Fund may invest its assets in Sub-Funds that invest in small and/or less well-established companies and in certain circumstances a Fund may make such investments directly. While smaller companies generally have potential for rapid growth, they often involve higher risks because they lack the management experience, financial resources, product diversification, and competitive strength of larger corporations. In addition, in many instances, the frequency and volume of their trading is substantially less than is typical of larger companies. As a result, the securities of smaller companies may be subject to wider price fluctuations. In addition, due to thin trading in some of those stocks, an investment in those stocks may be considered less liquid than an investment in many large-capitalization stocks. When making large sales, a Fund or Sub-Fund may have to sell portfolio holdings at discounts from quoted prices or may have to make a series of small sales over an extended period of time due to the trading volume of smaller company securities.

Derivatives: A Fund may invest its assets directly, or via its investment in Sub-Funds, in complex derivative instruments that seek to modify or emulate the investment performance of particular securities, commodities, currencies, interest rates, indices or markets or specific risks thereof on a leveraged or unleveraged basis which can be equivalent to a long or short position in the underlying asset or risk. These instruments generally have counterparty risk and may not perform in the manner expected by the counterparties, thereby resulting in greater loss or gain to a Fund than might otherwise be anticipated. These investments are all subject to additional risks that may result in a loss of all or part of an investment, such as interest rate and credit risk volatility, world and local market price and demand, and general economic factors and activity. Derivatives may have very high leverage embedded in them which may substantially magnify market movements and result in losses substantially greater than the amount of the investment and which in some cases could represent a significant portion of a Fund's or a Sub-Fund's assets. Some of the markets in which derivative transactions are effected are over-the-counter or interdealer markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of exchange-based markets. This exposes the Sub-Funds to the risks that a counterparty will not settle a transaction because of a credit or liquidity problem or because of disputes over the terms of the contract. Neither the Funds nor the Sub-Funds are restricted from dealing with any particular counterparty or from concentrating all of its transactions with one counterparty.

Futures: Futures markets are highly volatile. To the extent a Fund or Sub-Fund engages in transactions in futures contracts and options on futures contracts, the profitability of such transaction will depend to some degree on the ability of Silvercrest or a Sub-Fund Manager to analyze correctly the futures markets, which are influenced by, among other things, changing supply and demand relationships, governmental policies, commercial and trade programs, world political and economic events and changes in interest rates. Moreover, investments in commodity futures and options contracts involve additional risks including, without limitation, leverage (margin is usually only 5-15% of the face value of the contract and exposure can be nearly unlimited) and credit risk vis-a-vis the contract counterparty. Finally, the U.S. Commodities Futures Trading Commission and futures exchanges have established limits referred to as "speculative position limits" on the maximum net long or net short position which any person may hold or control in particular commodity contracts.

Convertible Securities: A Fund or a Sub-Fund may invest in convertible securities. As a result of the conversion feature, convertible securities typically offer lower interest rates than if the securities were not convertible. It is possible that the potential for appreciation on convertible securities may be less than that of a common stock equivalent.

Convertible securities may or may not be rated within the four highest categories by Standard & Poor's Ratings Group ("S&P") and Moody's Investor Service ("Moody's") and if not so rated, would not be investment grade. To the extent that convertible securities are rated lower than investment grade or not rated, there would be greater risk as to timely repayment of the principal of, and timely payment of interest or dividends on, those securities.

Securities that are rated BB or lower by S&P or Ba or lower by Moody's are often referred to in the financial press as "junk bonds" and may include securities of issuers in default. "Junk bonds" are considered by the rating agencies to be predominately speculative and may involve major risk exposures such as: (i) vulnerability to economic downturns and changes in interest rates; (ii) sensitivity to adverse economic changes and corporate developments; (iii) redemption or call provisions which may be exercised at inopportune times; and (iv) difficulty in accurately valuing or disposing of such securities.

Also, in the absence of adequate anti-dilution provisions in a convertible security, dilution in the value of a Fund's or a Sub-Fund's holding may occur in the event the underlying stock is subdivided, additional securities are issued, a stock dividend is declared, or the issuer enters into another type of corporate transaction which increases its outstanding securities.

Preferred Securities: The Underlying Managers may invest in preferred securities, which may have special risks. Preferred securities may include provisions that permit the issuer, at its discretion, to defer distributions for a stated period without any adverse consequences to the issuer. If a fund or account of an Underlying Manager owns a preferred security that is deferring its distributions, such fund or account holder may be required to report income for tax purposes even though it has not yet received such income. Some preferred securities are non-cumulative, meaning that the dividends do not accumulate and need not ever be paid. There is no assurance that dividends or distributions on non-cumulative preferred securities in which the Underlying Managers invest will be declared or otherwise made payable or paid. Preferred securities are subordinated to bonds and other debt instruments in an issuer’s capital structure in terms of priority to corporate income and liquidation payments and, therefore, will be subject to greater credit risk than more senior debt instruments. Because preferred stock are generally junior to debt securities and other obligations of the issuer, deterioration in the credit quality of the issuer will cause greater changes in the value of such instruments than senior debt securities with similarly stated yield characteristics. Preferred securities may be substantially less liquid than many other securities, such as common stocks or U.S. government securities.

Sovereign Debt: The Underlying Managers may invest in debt securities issued by governments and their agencies, including governments of emerging markets. Investing in instruments of government issuers in emerging markets may involve significant economic and political risks. Holders of certain emerging market instruments may be requested to participate in the restructuring and rescheduling of these obligations and to extend further loans to their issuers. The interests of holders of emerging market instruments could be adversely affected in the course of restructuring arrangements. Sovereign debt rated below investment grade by a nationally recognized bond rating organization is regarded as predominantly speculative with respect to the issuer’s capacity to pay interest and repay principal in accordance with the terms of the obligations.

Corporate Debt Obligations: The Underlying Managers may invest in corporate debt obligations, including commercial paper. Corporate debt obligations are subject to the risk of an issuer's inability to meet principal and interest payments on the obligations (credit risk). The Underlying Managers may actively expose the Partnership to credit risk. However, there can be no guarantee that the Underlying Managers will be successful in making the right selections and thus fully mitigate the impact of credit risk changes on the Partnership.

Low Credit Quality Securities: To the extent a Sub-Fund invests in fixed income securities, such Sub-Fund may be permitted to invest in particularly risky investments that also may offer the potential for correspondingly high returns. Similarly a Fund may invest in such securities. As a result, that Fund or such Sub-Fund may lose all or substantially all of its investment in any particular instance. In addition, there is no minimum credit standard which is a prerequisite to an investment in any security and the debt securities may be less than investment grade and may be considered to be "junk bonds" or be distressed or "special situations" with heightened risk of loss and/or liquidity. Such securities may rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of whose debt securities may be secured by substantially all of the issuer's assets. Moreover, a Fund or Sub-Funds may invest in securities which are not protected by financial covenants or limitations on additional indebtedness.

Analytical Model Risks: The Funds employ certain strategies which depend upon the reliability, accuracy and analysis of Silvercrest's analytical models. Sub-Funds may also employ similar analytical models. To the extent such models (or the assumptions underlying them) do not prove to be correct, a Fund may not perform as anticipated, which could result in substantial losses. All models ultimately depend upon the judgment of the individuals and the assumptions embedded in the models. To the extent that with respect to any investment, the judgment or assumptions are incorrect, the effected Fund can suffer losses.

Liquidity and Valuation: The Funds and the Sub-Funds may invest in securities which are subject to legal or other restrictions on transfer or for which no liquid market exists. The market prices, if any, for such securities tend to be more volatile and a Fund or the Sub-Funds, accordingly may not be able to sell them when it desires to do so or to realize what it perceives to be their fair value in the event of a sale. For example, high-yield securities markets have suffered periods of extreme illiquidity for certain types of instruments in the past. As a result, calculating the fair market value of a Fund's holdings may be difficult.

Portfolio Valuation: Because of the overall size and concentrations in particular markets and maturities of positions that may be held by a Fund or Sub-Funds from time to time, the liquidation values of the Fund's or Sub-Funds' securities and other investments may differ significantly from the interim valuations of such investments derived from the valuation methods described herein. Such differences may be further affected by the time frame within which such liquidation occurs. Third party pricing information regarding certain of the Funds’ or Sub-Funds' securities and other investments may at times be unavailable. Valuations of the Funds’ or Sub-Funds' securities and other investments may involve uncertainties and subjective judgmental determinations and if such valuations should prove to be incorrect the net asset value of a Fund could be adversely affected. In addition, valuations based on models will be affected by assumptions in the models and may not reflect the prices at which positions could, in fact, be covered or sold. Absent bad faith or manifest error, valuation determinations will be conclusive and binding.

Use of Estimates: Some limited partners in the Funds of Funds receive: (i) audited annual financial statements, prepared in accordance with GAAP, (ii) unaudited monthly performance estimates, and (iii) a final unaudited monthly performance report. The unaudited financial statements and estimated reports of net asset value will be based partially on estimated and unaudited valuations that the Fund receives from the Underlying Managers. The estimated and unaudited financial data used to determine the applicable net asset value of the Fund will be based on the information available to Silvercrest at the relevant time and such information may not be complete. The Fund’s investments generally will not be listed on established exchanges and third-party pricing information generally will not be available regarding the Fund’s investments, each of which may make a determination of the fair value of such securities difficult to accurately determine. Valuations of the Fund’s investments may involve uncertainties and judgmental determinations, and if such valuations should prove to be incorrect, the net asset value of the Fund could be adversely affected. Silvercrest will have no ability to assess the accuracy of the valuations received from the Underlying Managers. Therefore, the estimated net asset value of the Fund may be significantly higher or lower than the actual net asset value of the Fund as determined based upon audited financial data of the funds advised by the Underlying Managers.

Portfolio Turnover: A Fund or the Sub-Funds may engage in frequent trading and thus the Fund's brokerage commission to assets ratio (indirectly through the Sub-Funds) may significantly exceed those of other investment entities.

Interest Rate Risks: A Fund and the Sub-Funds may have exposure to interest rate risks. To the extent prevailing interest rates change, it could negatively affect the value of the Fund.

Non-U.S. Investments: Investments outside the United States or denominated in non-U.S. currencies pose currency exchange risks (including blockage, devaluation and non-exchangeability) as well as a range of other potential risks which could include, depending on the country involved, expropriation, confiscatory taxation, political or social instability, illiquidity, price volatility and market manipulation. In addition, less information may be available regarding non-U.S. issuers and non-U.S. companies may not be subject to accounting, auditing and financial reporting standards and requirements comparable to or as uniform as those of U.S. companies. Further, non-U.S. securities markets may not be as liquid as U.S. markets. Transaction costs of investing outside the U.S. are generally higher than in the U.S. because of the cost of converting a foreign currency to dollars, the payment of fixed brokerage commissions on some foreign exchanges and the imposition of transfer taxes or transaction charges by non-U.S. exchanges. There is generally less government supervision and regulation of exchanges, brokers and issuers than there is in the U.S. and there is greater difficulty in taking appropriate legal action in non-U.S. courts. Non-U.S. markets also have different clearance and settlement procedures which in some markets have at times failed to keep pace with the volume of transactions, thereby creating substantial delays and settlement failures that could adversely affect the Fund's performance.

Non-U.S. Exchange Risk Exposure: To the extent a Fund or Sub-Funds do not or are not able to hedge foreign exchange risks, the Fund may be exposed to additional risk due to exchange rate fluctuations. The capital subscriptions to the Funds will be denominated in U.S. dollars. A Fund also may hedge currency exchange risks if it is considered to be economically justifiable. A Fund may attempt within the parameters of currency and exchange controls that may be in effect, to obtain rights to exchange its invested capital, dividends, interest, fees, other distributions and capital gains into convertible currencies. Further, a Fund may incur costs in connection with conversions between various currencies. Foreign exchange rates have been highly volatile in recent years. The combination of volatility and leverage gives rise to the possibility of a large profit or large loss. In addition, there is counterparty risk since currency trading is done on a principal to principal basis.

Purchases of Interests in Sub-Funds: There is no assurance that Silvercrest will correctly evaluate the nature and magnitude of the various factors that could affect the prospects of the Sub-Funds. A Fund may lose its entire investment or may be required to accept cash or securities with a value less than the Fund's original investment. Under such circumstances, the returns generated from the Fund's investments may not compensate the unit holders adequately for the risks assumed. Further, a Fund may invest with Sub-Fund Managers who are experiencing a major increase in the assets they manage, which may impair the ability of their strategies and operations to perform up to historical levels. Additionally, Sub-Fund Managers faced with a significant increase in assets to invest may divert from stated strategies into strategies or markets in which they could have little or no experience. This could result in serious losses to the Sub-Funds and, accordingly, a Fund. There is also a risk associated with using multiple Sub-Fund Managers. Because each Sub-Fund Manager will trade independently of the others, the trading losses of some Sub-Fund Managers could offset trading profits achieved by the profitable Sub-Fund Managers. The profitable Sub-Fund Managers would earn incentive fees even though the Fund as a whole may not be profitable. Sub-Fund Managers might also compete for the same investment positions. Conversely, Sub-Fund Managers may take offsetting positions which would result in transaction costs for a Fund without the possibility of profits. Lastly, Silvercrest expects from time to time to change Sub-Fund Managers and the asset allocations among Sub-Funds. Silvercrest is not required to notify investors of such changes. Such changes may result in the loss of any carry-forward benefit if the Sub-Fund Manager is terminated during a carry-forward period. In such a case the replacement Sub-Fund Manager will "start from scratch." Further such changes may occur when a Fund receives additional Capital Contributions from investors at a time when certain Sub-Funds are "closed" to new investment. The new capital would thus have to be allocated to "open" Sub-Funds, which may affect asset allocation in an unintended way. A Fund's success will depend on the Sub-Fund Manager selection and allocation abilities of Silvercrest.

Corporate Governance: Corporate governance, internal controls, and operational aspects of Sub-Funds may be immature, not subject to scrutiny or difficult to enforce due to the location of jurisdictions in which such entities are formed or for other reasons. Silvercrest conducts reasonable diligence, but the risk of loss from misbehavior (for example, a Sub-Fund Manager may divert or abscond with the Sub-Fund's assets, fail to follow its stated investment strategies, or issue false reports), fraud, or weak operational controls remains high with respect to Sub-Funds and Silvercrest cannot assure that losses will not result from such events.

Investment Strategy Risks: The Sub Funds may pursue various investment strategies, each of which may subject a Fund to significant risk. Such investment strategies may include but are not limited to the following:

Global Macro: Global macro strategies include both directional trading and relative value approaches to what are generally short-term allocations of capital. Investment managers utilizing a directional trading approach will take unhedged long or short positions in various markets. Such unhedged investments may expose a Fund to full market risk and are subject to substantial losses. The use of a relative value approach is also subject to the risk of substantial losses because of imperfect correlation of an investment manager's portfolio of long and short positions.

Long/Short Equity: Since a long/short equity strategy involves identifying securities which are generally undervalued (or, in the case of short positions, overvalued) by the marketplace, success of this strategy necessarily depends upon the market eventually recognizing such value in the price of the security, which may not necessarily occur, or may occur over extended time frames which limit profitability. Positions may undergo significant short-term declines and experience considerable price volatility during these periods. In addition, long and short positions may or may not be correlated to each other. If the long and short positions are not correlated, it is possible to have investment losses in both the long and short sides of the portfolio.

Systematic Trading: Investment managers using systematic trading strategies take directional positions in commodities, currencies or securities. Such investment managers base their decisions not on fundamental supply and demand factors, economic factors or anticipated events, but rather on technical trading systems involving trend analysis and other factors relating to the market itself. The profitability of such systematic trading depends upon the occurrence in the future of sustained price moves. Investment managers using systematic trading strategies may also exercise some discretion to not take a position that is indicated by their systems or to take a position not indicated by their systems. This may result in such investment managers missing profit opportunities or making unprofitable trades when a more systematic approach would not have done so. On the other hand, rigid adherence to any system could miss opportunities or lead to losses which an exercise of discretion based on analysis of fundamental factors might have avoided.

Arbitrage Strategies: The use of arbitrage strategies in no respect should be taken to imply that an investment manager's use of such strategies is without risk. Substantial losses may be recognized on "arbitrage" positions, and illiquidity and default on one side of a position may effectively result in the position being transformed into an outright speculation. Every arbitrage strategy involves exposure to some second order risk of the market, such as the implied volatility in convertible bonds or warrants, the yield spread between similar term government bonds or the price spread between different classes of stock for the same underlying firm. Many such investment managers pursuing arbitrage strategies employ limited directional strategies which expose such investment managers to market risk.

Statistical Arbitrage: The success of the investment activities of an investment manager employing statistical arbitrage is heavily dependent on the mathematical models used by the investment manager in attempting to exploit short-term and long-term relationships among stock prices and volatility. Models may have hidden biases or exposure to broad structural or sentiment shifts, and models that have been formulated on the basis of past market data may not be predictive of future price movements. Further, the investment manager may select models that are not well-suited to prevailing market conditions. Finally, the effectiveness of such models tends to deteriorate over time as more traders seek to exploit the same market inefficiencies through the use of similar models.

In the event of static market conditions, statistical arbitrage strategies are less likely to be able to generate significant profit opportunities from price divergences between long and short positions than in more volatile environments. Unusual events specific to particular corporations and major events external to the operations of markets can cause extreme market moves that are inconsistent with the historic correlation and volatility structure of the market.

Fixed Income Arbitrage: Fixed income arbitrage strategies generally involve spreads between two or more positions. To the extent the price relationships between such positions remain constant, no gain or loss on the position will occur. Such positions do, however, entail a substantial risk that the price differential could change unfavorably, causing a loss to the spread position. Substantial risks are involved in trading in U.S. and foreign government securities, corporate securities, investment company securities, mortgage-backed and asset-backed securities, commodity and financial futures, options, rate caps, rate swaps and the various other financial instruments and investments that fixed income arbitrage strategies may trade. Substantial risks are also involved in borrowing and lending against such investments. The prices of these investments can be volatile, market movements are difficult to predict, and financing sources and related interest and exchange rates are subject to rapid change. Certain corporate, asset-backed and mortgage-backed securities may be subordinated (and thus exposed to the first level of default risk) or otherwise subject to substantial credit risks. Government policies, especially those of the Federal Reserve Board and foreign central banks, have profound effects on interest and exchange rates that, in turn, affect prices in areas of the investment and trading activities of fixed income arbitrage strategies. Many other unforeseeable events, including actions by various government agencies and domestic and international political events, may cause sharp market fluctuations.

Merger Arbitrage: Merger arbitrage investments generally could incur significant losses when anticipated merger or acquisition transactions are not consummated. There is typically asymmetry in the risk/reward payout of mergers – the losses that can occur in the event of deal break-ups can far exceed the gains to be had if deals close successfully. For instance, mark-to-market losses can occur intra-month even if a particular deal is not breaking-up and such losses may or may not be recouped upon successful consummation of such deal. Further, the consummation of mergers, tender offers and exchange offers can be prevented or delayed by a variety of factors, including: (i) regulatory and antitrust restrictions; (ii) political motivations; (iii) industry weakness; (iv) stock-specific events; (v) failed financings; and (vi) general market declines.

Merger arbitrage strategies also depend for success on the overall volume of merger activity which has historically been cyclical in nature. During periods when merger activity is low, it may be difficult or impossible to identify opportunities for profit or to identify a sufficient number of such opportunities to provide diversification among potential merger transactions.

Merger arbitrage strategies are also subject to the risk of overall market movements. To the extent that a general increase or decline in equity values affects the stocks involved in a merger arbitrage position differently, the position may be exposed to loss. At any given time, arbitrageurs can become improperly hedged by accident or in an effort to maximize risk-adjusted returns. This can lead to inadvertent market-related losses.

Convertible Arbitrage: The success of the investment activities of an investment manager involved in convertible arbitrage will depend on such investment manager's ability to identify and exploit price discrepancies in the market. Identification and exploitation of the market opportunities involve uncertainty. No assurance can be given that an investment manager will be able to locate investment opportunities or to correctly exploit price discrepancies. A reduction in the pricing inefficiency of the markets in which such investment manager will seek to invest will reduce the scope for the investment manager's investment strategies. In the event that the perceived mispricings underlying such investment manager's positions fail to materialize as expected by such investment manager, the positions could incur a loss.

The price of a convertible bond, like other bonds, changes inversely to changes in interest rates. Hence, increases in interest rates could result in a loss on a position to the extent that the short stock position does not correspondingly depreciate in value. While investment managers typically try to hedge interest rate risk via interest rate swaps and Treasuries, residual interest rate risk can adversely impact the portfolio. The price of convertible bonds is also sensitive to the perceived credit quality of the issuer. Convertible securities purchased by investment managers will decline in value if there is a deterioration in the perceived credit quality of the issuer or a widening of credit spreads and this decline in value may not be offset by gains on the corresponding short equity position.

Convertible bond arbitrage portfolios are typically long volatility. This volatility risk is difficult to hedge since the strike price and often the maturity of the implied option are unknowns. A decline in actual or implied stock volatility of the issuing companies can cause premiums to contract on the convertible bonds. Convertible arbitrageurs are also exposed to liquidity risk in the form of short squeezes in the underlying equities or due to widening bid/ask spreads in the convertible bonds. Liquidity risk can often be exacerbated by margin calls since most arbitrageurs run leveraged portfolios. Convertible arbitrage strategies are also subject to risk due to inadequate or misleading disclosure concerning the securities involved. There have been cases where final prospectuses are different from drafts and important clauses are misinterpreted, both leading to significant losses for arbitrageurs. Also, in the absence of anti-dilution provisions in a convertible security, losses could occur in the event the underlying stock is split, additional securities are issued, a stock dividend is declared or the issuer enters into another transaction which increases its outstanding securities.

Asset-Backed Securities: A Fund or Sub Funds may invest in numerous types of asset-backed securities, including, for example, mortgage-backed securities. Such securities are extremely sensitive to the level and volatility of interest rates.

Asset-backed securities are often backed by a pool of assets representing the obligations of a number of different parties and use credit enhancement techniques. Asset-backed securities present certain risks. Primarily, these securities do not have the benefit of the same security interest in the related collateral. For example, credit card receivables are generally unsecured and the debtors are entitled to the protection of a number of state and federal consumer credit laws, many of which give such debtors the right to set off certain amounts owed on the credit cards, thereby reducing the balance due. As a further example, most issuers of automobile receivables permit the servicers to retain possession of the underlying obligations. If the servicer were to sell these obligations to another party, there is a risk that the purchaser would acquire an interest superior to that of the holders of the related automobile receivables. In addition, because of the large number of vehicles involved in a typical issuance and technical requirements under state laws, the trustee for the holders of the automobile receivables may not have a proper security interest in all of the obligations backing such receivables. Therefore, there is the possibility that recoveries on repossessed collateral may not, in some cases, be available to support payments on these securities.

A Fund or Sub Fund may also invest in mortgage pass-through securities representing participation interests in pools of residential mortgage loans originated by United States governmental or private lenders and guaranteed, to the extent provided in such securities, by the

United States government or one of its agencies or instrumentalities. Such securities, which are ownership interests in the underlying mortgage loans, differ from conventional debt securities, which provide for periodic payment of interest in fixed amounts (usually semiannually) and principal payments at maturity or on specified call dates. Mortgage pass-through securities provide for monthly payments that are a "pass-through" of the monthly interest and principal payments (including any prepayments) made by the individual borrowers on the pooled mortgage loans, net of any fees paid to the guarantor of such securities and the servicer of the underlying mortgage loans.

Fund and Sub Fund investments may also include private mortgage pass-through securities that are issued by originators of and investors in mortgage loans, including savings and loan associations, mortgage banks, commercial banks, investment banks and special purpose subsidiaries of the foregoing. Private mortgage pass-through securities are usually backed by a pool of conventional fixed rate or adjustable rate mortgage loans. Such securities generally are structured with one or more types of credit enhancement.

Distressed Securities: A Fund or Sub-Fund may invest in unrated or “distressed” securities, i.e., securities of companies that are experiencing significant financial or business difficulties, including companies involved in debt restructurings, in bankruptcy or other reorganization and liquidation proceedings. A Fund or Sub-Fund may also purchase financial instruments of companies that have low credit quality, and purchase securities and loans that are in default. Although such investments may result in significant returns, they typically involve a high degree of risk. Among the problems involved in investments in such issuers is the fact that it frequently may be difficult to obtain information as to the conditions of such issuers. Restructurings or reorganizations may fail to be completed or be substantially delayed and expected returns on their securities may never materialize. In addition, a significant period of time may pass between the time at which a Fund or the Sub-Funds make an investment in distressed securities and the time that any such reorganization is completed. During this period, it is unlikely that the Fund or the Sub-Funds will receive any dividend, interest or other disbursements on the distressed securities; the Fund and the Sub-Funds will be subject to significant uncertainty as to such successful completion and the Fund and the Sub-Funds may be required to bear certain expenses to protect its interest in the course of negotiations surrounding any potential reorganization. Furthermore, nonperforming assets by their nature may prove uncollectible or not yield appreciable returns for considerable periods of time. The level of analytical sophistication, both financial and legal, necessary for successful investment in such assets, loans or claims is unusually high. Information necessary to properly evaluate a distress situation may be difficult to obtain or be unavailable and the risks attendant to a transaction may not necessarily be identifiable or susceptible of considered analysis at the time of investment. There is no assurance that a Fund or any Sub-Fund will correctly evaluate the nature and magnitude of the various factors that could affect the prospects for a successful reorganization or rehabilitation of a distressed asset or adequate realization upon such assets and claims. The Funds’ and the Sub-Funds’ performance may be substantially impaired by unsuccessful distressed or low credit investments.

Market Dislocation and Illiquidity: Recent events in the sub-prime mortgage market and other areas of the fixed income markets in the United States have caused significant dislocations, illiquidity and volatility in the structured credit, leveraged loan and high-yield bond markets.

These events have had repercussions on the global financial markets, including the markets in which the Sub-Funds trade and invest, by restricting the availability of credit generally, and reducing liquidity levels across virtually all markets globally. The foregoing events could lead to an overall weakening of the U.S. and global economies. Any resulting economic downturn could adversely affect certain of the Sub-Funds' investments. Such marketplace events also may restrict the ability of the Sub-Funds to sell or liquidate investments at favorable times and/or for favorable prices and/or cause the Sub-Funds to have limited access to credit. The Sub-Funds may be adversely affected by a decrease in market liquidity (e.g., by impairing the Sub-Funds' ability to adjust its positions and risk in response to trading losses or other adverse developments). The size of Sub-Fund positions may magnify the effect of a decrease in market liquidity for the instruments traded. Changes in the overall market leverage (e.g., deleveraging or liquidations by other market participants of the same or similar positions) also may adversely affect the Sub-Funds' positions.

Emerging Markets: Investing in emerging market securities involves certain risks and special considerations not as typical of other more established economies or securities markets. Such risks may include (a) the risk of nationalization or expropriation of assets or confiscatory taxation; (b) social, economic and political uncertainty including war; (c) dependence on exports and the corresponding importance of international trade and commodities prices; (d) less liquidity of securities markets; (e) currency exchange rate fluctuations; (f) potentially higher rates of inflation (including hyper-inflation); (g) controls on foreign investment and limitations on repatriation of invested capital and the ability of the Funds that invest in these markets (SIF, SEMF, and SEMFI) to exchange local currencies for U.S. dollars: (h) a higher degree of governmental involvement in and control over the economies; (i) government decisions to discontinue support for economic reform programs and imposition of centrally planned economies; (j) differences in auditing and financial reporting standards which may result in the unavailability of material information about economics and issuers; (k) less extensive regulatory oversight of securities markets; (l) longer settlement periods for securities transactions; and (m) less stringent laws regarding the fiduciary duties of officers and directors and protection of investors; and (n) certain consequences regarding the maintenance of portfolio securities and cash with sub-custodians and securities depositories in emerging market countries.

Foreign Economies: The economies of individual foreign countries may differ favorably or unfavorably from the United States economy in certain respects such as growth of gross domestic product or gross national product, rate of inflation, capital reinvestment, resource self-sufficiency and balance of payments position. In addition, securities traded in certain emerging foreign securities markets may be subject to risks resulting from the inexperience of financial intermediaries, the lack of modern technology, the lack of a sufficient capital base to expand business operations and the possibility of permanent or temporary termination of trading and greater spreads between bid and asked prices for securities in those markets. Business entities in certain foreign countries may also lack recent histories of operating in market-oriented economies, and the effect of the attempts of certain foreign countries to move toward more market-oriented economies is currently unclear. Nationalization, expropriation or confiscatory taxation, restrictions on the repatriation of currency, political changes, government regulation, social instability or diplomatic developments could also affect adversely the economy of a foreign country or a Fund's investments in that country.

Investment in Medium Cap, Small Cap and Micro Cap Companies: At any given time, through the investment vehicles and managed accounts to which the Partnership will allocate its funds, the Partnership will have significant investments in small cap and micro cap companies, some of which may be of a less seasoned nature or have securities that may be traded in the over-the-counter market. These “secondary” securities often involve significantly greater risks than the securities of larger, better-known companies. In addition to being subject to the general market risk that common stock prices may decline over short or even extended periods, the Partnership may invest in securities of companies that are not well-known to the investing public, may not have significant institutional ownership and may have cyclical, static or only moderate growth prospects. The stocks of such companies may be more volatile in price and have lower trading volumes than the larger capitalization stocks included in the S&P 500 Index. Accordingly, investors in the Partnership should have a long-term investment horizon.

The Underlying Managers chosen by the Investment Manager may employ a more aggressive approach to investing that involves a substantially higher than average portfolio turnover rate. In addition, the Partnership will be invested in many small cap and micro cap securities that are followed by relatively few securities analysts, with the result that there tends to be less publicly available information concerning the securities compared to what is available for exchange-listed or larger companies. The securities of these companies may have limited trading volumes and be subject to more abrupt or erratic market movements than the securities of larger, more established companies or the market averages in general, and the managers chosen by the Partnership may be required to deal with only a few market-markers when purchasing and selling these securities. Transaction costs in small cap and micro cap stocks may be higher than in those of larger capitalization companies. Companies in which the Partnership is likely to be invested also may have limited product lines, markets or financial resources and may lack management depth and may be more vulnerable to adverse business or market developments. Thus, the Partnership may involve considerably more risk than a fund investing principally in the more liquid equity securities of companies traded on the New York or American Stock Exchanges.

Management Risks

Conflicts of Interest: Conflicts of interest exist in the structure and operation of the Funds’ business. The fees which Silvercrest is entitled to receive as investment advisor may be higher than the fees which another investment advisor might charge. Silvercrest, however, believes such fees are justified in light of the structure of the Funds, the investment programs and each investor base.

Silvercrest, its principals, affiliates and members, officers, directors and employees may trade in securities and other instruments suitable for a Fund only if such transactions are consistent with applicable law. If a Fund, Silvercrest, its principals, affiliates and members, officers, directors and employees trade in certain securities on the same day, Silvercrest, its principals, affiliates and members, officers, directors and employees will not receive a better price than that Fund. Silvercrest may act as investment advisor, sponsor, manager, managing member or general partner for other clients, accounts and collective investment vehicles and may give advice, and take action, with respect to any of those clients, accounts and collective investment vehicles that may differ from the advice given, or the timing or nature of action taken, with respect to a Fund. Where there is limited access to an investment opportunity, Silvercrest uses its best efforts to allocate or rotate investment opportunities in a manner deemed equitable, but cannot assure, and assumes no responsibility for, equality among all accounts and clients. Silvercrest, its principals, affiliates and members, officers, directors and employees may engage in transactions or investments or cause or advise other clients to engage in transactions or investments that may differ from or be identical to the transactions or investments engaged in by or for the account of a Fund. Silvercrest has no obligation to engage in any transaction or investment for the account of a Fund or to recommend any transaction to a Fund that Silvercrest or its principals, affiliates or any of their principals, affiliates and members, officers, directors or employees may engage in for their own accounts or the account of any other customer, except as otherwise required by applicable law. To the extent permitted by law, Silvercrest is permitted to bunch or aggregate orders for the account of a Fund with orders for other accounts, notwithstanding that the effect of such aggregation may operate to the disadvantage of that Fund.

The Sub-Funds and their managers also could be subject to various conflicts of interest, which could be resolved to the detriment of a Fund. For example, a Sub-Fund Manager might favor its proprietary trading over its trading for the Sub-Fund. In addition, a portion of a Fund's assets may be invested in Sub-Funds managed by Silvercrest or its affiliates. In such cases, Silvercrest will waive the performance and management fees from the Fund with respect to such assets and will receive instead the incentive allocation and management fee charged by the Sub-Fund, which may be higher than those charged by the Fund.

Lack of Transferability of Units: The units of the Funds have not been registered under the securities laws of any jurisdiction and are subject to restrictions on transfer. Units are not assignable or transferable without the prior consent of Silvercrest, which consent may not be unreasonably withheld. It is not expected that any market for the units will develop.

Effect of Performance Fees: Performance Fees may motivate Silvercrest to make riskier or more speculative investments than it would otherwise make in the absence of such allocation. Performance Fees will include amounts in respect of any unrealized appreciation in a Fund's investments.

Dependence on Silvercrest: All decisions with respect to the trading activities of the Funds are made exclusively by Silvercrest, where applicable. Investors will not have the opportunity to evaluate fully for themselves the relevant economic, financial, and other information regarding the Fund's investments. Investors are dependent on Silvercrest's judgment and abilities. Accordingly, no person should purchase Units unless he or she is willing to entrust all aspects of the trading activities of a Fund to Silvercrest.

Limited Management Rights: Subject to certain limited rights of the investors all as set forth herein, and certain other limitations imposed by law, Silvercrest has full, exclusive and complete authority to implement each Fund's objective. The units are non-voting and do not permit the unit holders to vote on any matters except as set forth herein.

Independence of Sub-Fund Managers: The Funds do not presently, and do not expect in the future to, control any of the Sub-Fund Managers, their choice of investments and other investment decisions, all of which will be totally within the control of such Sub-Fund Managers. The investments of the Funds are made pursuant to written disclosures from and/or agreements with the Sub-Fund Managers which usually provide, among other things, guidelines by which each Sub-Fund Manager will trade for the applicable Sub-Fund. Thus, while each Sub-Fund Manager undertakes to follow specified trading strategies, the written disclosures and/or agreements discussed above typically provide the Sub-Fund Managers with broad discretion to modify their trading strategies and therefore it is possible that a Sub-Fund Manager could deviate from its trading strategies, which deviation could result in, among other things, a less profitable trading strategy or a riskier approach that could lead to a loss of all or part of a Fund's investment with such Sub-Fund Manager. Furthermore, Sub-Fund Managers invest wholly independently of one another and may at times hold economically offsetting positions. To the extent that the Sub-Fund Managers do, in fact, hold such positions, that Fund, considered as a whole, cannot achieve any gain or loss despite incurring fees and expenses. In addition, while currently neither Silvercrest nor any of its affiliates own any equity interests in any of the Sub-Fund Managers, it is possible that one or more of the affiliates of Silvercrest will in the future acquire non-controlling interests in one or more of the Sub-Fund Managers.

Capacity of Sub-Fund Managers: Sub-Fund Managers may limit the amount of assets or the number of accounts that they will manage. To the extent the aggregate amount of assets in a Sub-Fund exceeds the amount deemed by the Sub-Fund Manager, in its sole and absolute discretion, to be the ideal amount to be invested in the applicable investment strategy utilized by such Sub-Fund, the returns of such Sub-Fund may be negatively impacted due to the inability of such Sub-Fund Manager to effectively manage the excess capacity in such Sub-Fund. Due to the fact that some Sub-Funds with superior returns are "closed" to new investment, Silvercrest may seek to convince Sub-Fund Managers operating otherwise "closed" Sub-Funds to accept an investment from a Fund. If, due to capacity constraints, Silvercrest is unable to invest with a particular Sub-Fund Manager or in a particular Sub-Fund, or is unable to invest the amount it would otherwise like to invest, a Fund may be unable to achieve its investment objective.

Proprietary Investment Strategies: Sub-Fund Managers may use proprietary investment strategies that are based on considerations and factors that are not fully disclosed to Silvercrest or the Fund. These strategies may involve risks under some market conditions that are not anticipated by Silvercrest or the Fund. The Sub-Fund Managers generally use investment strategies that are different than those typically employed by traditional managers of portfolios of stocks and bonds and may involve significantly more risk and higher transaction costs than more traditional investment methods. Additionally, it is possible that the performance or the specific investments of the Sub-Fund Managers may be closely correlated to each other in some market conditions, resulting (if those returns are negative) in significant losses to the Funds and the unit holders thereof.

Compensation Arrangements with the Sub-Fund Managers: Sub-Fund Managers may receive incentive compensation from the Funds based on the performance of their portfolios. Such compensation arrangements may create an incentive to make investments that are riskier or more speculative than would be the case if such arrangements were not in effect. In addition, because performance-based compensation may be calculated on a basis which includes unrealized appreciation of the Funds' assets, such performance-based compensation may be greater than if such compensation were based solely on realized gains. It is possible that certain Sub-Fund Managers may receive incentive compensation, even though the specific Fund, as a whole, does not have net capital appreciation. Additionally, Sub-Fund Managers may receive incentive compensation prior to the expiration of the lock-up period, if any, relating to a Fund's capital contribution to the Sub-Fund managed by such Sub-Fund Manager and may be so even in cases where there was no aggregate gain at the end of such lock-up period.

Fraudulent Activities: There is a risk that a Sub-Fund Manager may knowingly, negligently or otherwise withhold or misrepresent information regarding the performance of the Sub-Fund Manager or the Sub-Funds including, without limitation, the presence or effects of any fraudulent or similar activities ("Fraudulent Activities"). A Fund's performance of its monitoring functions would generally not give the Fund the opportunity to discover such situations prior to the time the Sub-Fund Manager discloses (or there is public disclosure of) the presence or effects of any Fraudulent Activities. Accordingly, a Sub-Fund Manager could engage in Fraudulent Activities and Silvercrest cannot guarantee that it will have the opportunity or ability to protect the Fund from suffering a loss because of a Sub-Fund Manager's Fraudulent Activities.

Fund Risks

Fund Not Registered: The Funds are not registered under the Investment Company Act. The Investment Company Act provides certain protections to investors and imposes certain restrictions on registered investment companies, none of which will be applicable to the Fund.

Operating Deficits: The expenses of operating a Fund (including management fees) could exceed its income. This would require that the difference be paid out of the Fund's capital, reducing the Fund's investments and potential for profitability.

Limited Right of Redemption: Unit holders are typically restricted from making a full or partial withdrawal from a Fund until the last Business Day of each calendar quarter, on or following the first anniversary with respect to the purchase of such units, on at least ninety (90) calendar days prior written notice to a Fund. However, such a redemption may not be immediately possible due to the temporary inability of the Fund to redeem its capital from the Sub-Funds in order to satisfy the requested redemption without adversely affecting non-redeeming unit holders.

Involuntary Redemption of Units: Silvercrest may redeem all or part of the units of any investor in any Fund at any time, on five (5) calendar days notice for any or no reason, including if Silvercrest determines that the continued ownership by such investor of units in a Fund would be detrimental to that Fund such as by involving the Fund or any investor in litigation or causing the Fund to be required to register under the Investment Company Act.

Limited Operating History: The Funds have limited operating histories upon which potential investors may evaluate its likely performance.

General Business and Regulatory Risks of Hedge Funds: Legal, tax and regulatory changes could occur during the term of a Fund that may adversely affect that Fund. The regulatory environment for hedge funds is evolving, and changes in the regulation of hedge funds may adversely affect the value of investments held by the Sub-Funds and the ability of a Fund and the Sub-Funds to pursue its investment strategies. In addition, the securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. The SEC, other regulators, self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies. The regulation of derivatives transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by government and judicial action. The effect of any future regulatory change on a Fund could be substantial and adverse.

Risk of Litigation: From time to time, a Fund and/or a Sub-Fund may be named as a defendant in a lawsuit or regulatory action. As a result of such action, the assets of that Fund and/or Sub-Fund may be frozen, and the Fund may not be able to liquidate its investments. In certain cases, a Fund may be called on to testify and/or provide information (including, without limitation, a list of unit holders) in connection with such lawsuit or regulatory action. A Fund may also be named as a defendant in the lawsuit or regulatory action. Litigation and regulatory actions can be time-consuming and expensive, and can frequently lead to unpredicted delays or losses.

Changes in Applicable Law: The Funds must comply with various legal requirements, including, without limitation, requirements imposed by the commodities laws, tax laws and pension laws in various jurisdictions. Should any of those laws change, the legal requirements to which the Funds and the unit holders may be subject could differ materially from current requirements.

III. Material Risk of Loss Involved in All Product Types and Strategies

Investing in securities involves risk of loss that clients should be prepared to bear. All investments in securities include a risk of loss of your principal (invested amount) and any profits that have not been realized (the securities were not sold to “lock in” the profit). Stock markets, bond markets fluctuate substantially over time. In addition, as recent global and domestic economic events have indicated, performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets we manage that may be out of our control. We cannot guarantee any level of performance or that you will not experience a loss of your account assets.

ITEM 9 – DISCIPLINARY INFORMATION

We are obligated to disclose any disciplinary event that would be material to you when evaluating us to initiate a Client / Adviser relationship, or to continue a Client /Adviser relationship with us.

We do not have any legal, financial or other "disciplinary" item to report to you.

This statement applies to our Firm, and every employee.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Affiliations

Silvercrest, itself or through an affiliate, also provides "Family Office Services" including asset allocation, budgeting, bill paying, record keeping, maintenance of domestic payroll, financial and tax planning, tax return preparation and payments and other related service.

Silvercrest is not affiliated with any broker-dealer.

Silvercrest is the Investment Advisor to the Funds, and Silvercrest or a Silvercrest affiliate is the general partner or managing member of the Funds. When appropriate, and commensurate with its fiduciary duty, Silvercrest may recommend that a client invest in one or more of the Silvercrest funds. In such instances, the client will be given a private placement memorandum and such investment will only be made with the client's prior approval.

For a discussion of conflicts of interest associated with Silvercrest's management of the Funds, see Item 8 (*Methods of Analysis, Investment Strategies and Risk of Loss)*, Section II (*The Funds*), subsection B, entitled Risks and Conflicts of Interest Associated With All of The Funds under the heading **Management Risks**.

Silvercrest is registered with the Commodity Futures Trading Commission as a Commodity Pool Operator and Commodity Trading Advisor, and is a member of the National Futures Association. Peter Tobeason, J. Allen Gray, Michael Dubin, and Richard R. Hough III are registered as associated persons of Silvercrest.

Outsourced Managers

For clients who seek a level of portfolio diversification beyond that which can be achieved through Silvercrest's proprietary investment capabilities, we have put in place a number of "outsourced" investment capabilities designed to complement Silvercrest's own. These include large-cap, mid-cap and small-cap growth equity strategies, international equity strategies and high-yield bond strategies. In each case we have identified third-party, unaffiliated managers with a proven record of success in their niche and we have negotiated fee discounts with these managers on behalf of our clients. As a result, we can offer our clients investments in funds of funds or we can assist them in the customization of separately managed alternative investment portfolios.

In most cases, clients who are invested with a third party manager will pay a fee to Silvercrest and a discounted fee to the third party manager. However, in some cases, clients will pay the manager's full fee rate and Silvercrest will be compensated by the manager for referring the client to that manager. In theory, this payment by the third party manager could create a conflict of interest and an incentive to direct assets to the third party manager.

Solicitors

From time to time, Silvercrest deems it to be in the best interests of the firm and its clients to engage a third party (a "Solicitor") to introduce clients to Silvercrest. A discussion of conflicts associated with Solicitors is included in Item 14 of this document, entitled *Client Referrals and Other Compensation*.

ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

Silvercrest is committed to conducting its business in accordance with applicable laws, rules and regulations and the highest standards of business conduct, and to full and accurate disclosure in compliance with applicable law.

The firm's Code of Conduct and Ethics sets forth general standards and specific policies to guide Associated Persons in the performance of their duties, including: the laws applicable to our business, conflicts of interest, inside and proprietary information, securities trading by Silvercrest employees, It also refers to additional policies and procedures published by the Firm and defines terms used therein.

A copy of the firm's Code of Conduct and Ethics is available and will be provided to the firm's clients upon request.

Employee Investments

In many (but not all) cases, Silvercrest employees are invested in the same strategies and same securities as its clients and Silvercrest may recommend to its clients securities which are held by Silvercrest or its principals, affiliates or employees. Silvercrest recognizes that the personal investment transactions of its members and employees demand the application of a high code of ethics, and the applicant will require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, Silvercrest believes that if investment goals are similar for clients and for members or employees of Silvercrest, it is logical and even desirable that there be a common ownership of some securities.

Employees and principals of Silvercrest may hold or effect transactions in securities held by advisory accounts. Any personnel with knowledge of Silvercrest's investment advisory operations that wish to deal in such securities are required to do so in a manner not detrimental to advisory clients. No security may be bought or sold by a principal, affiliate or employee of the applicant before advisory clients' accounts have had the opportunity to make such transactions as are appropriate. All trades by a principal, affiliate or employee require prior approval and are reviewed by Silvercrest's compliance officer. Silvercrest reviews the personal investments of its employees to ensure compliance with these policies. A number of principals have accounts managed by Silvercrest and these accounts are managed as client accounts. Generally, a reduced fee is applied to such accounts.

The Funds

Silvercrest is the Investment Advisor to the Funds, and Silvercrest or a Silvercrest affiliate is the general partner or managing member of the Funds. When appropriate, and commensurate with its fiduciary duty, Silvercrest may recommend that a client invest in one or more of the Silvercrest funds.

For a discussion of the conflicts of interest associated with Silvercrest's management of the Funds, see Item 8 (*Methods of Analysis, Investment Strategies and Risk of Loss)*, Section II (*The Funds*), subsection B, entitled Risks and Conflicts of Interest Associated With All of The Funds under the heading **Management Risks**.

ITEM 12 – BROKERAGE PRACTICES

Selection of Executing Broker-Dealers

(a) Best Execution

Silvercrest uses brokers that are selected on the basis of their ability to execute a particular trade in a timely and cost-effective manner and on the basis of the perceived quality and timeliness of the investment research made available to Silvercrest. Silvercrest relies on its professional traders to direct transactions to a particular broker-dealer based on these factors. In determining the reasonableness of the commissions to be paid to its brokers, Silvercrest looks at several variables including the difficulty of the trade and the quality of research and other services provided by the broker. Such research and services include among other things, quotes, charting, database services, market and corporate research, transcription services, and valuations.

Silvercrest is required by applicable law, rule and regulation to seek to obtain the best price and execution quality of client securities transactions. Such execution should strive to minimize the client's total cost or maximize the proceeds (as applicable) while achieving the highest quality execution under the circumstances. Silvercrest considers many factors in seeking best execution, only one of which is the actual commission rate or price paid. Best execution is a qualitative, not a quantitative, standard and traders must apply qualitative judgment rather than apply an objective calculation.

In determining best execution, the trader may consider some or all of the following factors:

- Market impact of the trade
- Total cost of the execution
- Competitiveness of commission rates and spreads
- Size of the order
- Broker's ability to execute block trades
- Broker's ability to deliver the security being purchased
- Broker's ability to execute in a volatile market
- Liquidity of the security
- Whether the transaction is spread out among different brokers
- Gross compensation paid to each broker-dealer
- Commitments of capital by broker-dealers
- The broker-dealer's operations capabilities
- How the execution compares relative to experience of the marketplace
- Cost trends
- Availability of alternative electronic crossing networks
- The account's investment strategy and objectives
- The availability of directed brokerage or soft dollar arrangements
- The nature of difficulty of the trade
- The price of similar securities

(b) Research and Soft Dollars

Section 28(e) of the Securities and Exchange Act of 1934 provides a “safe harbor” to an investment adviser against claims that it breached its fiduciary duty under state or federal law (including ERISA) solely because the adviser caused its clients’ accounts to pay more than the lowest available commission for executing a securities trade in return for brokerage and research services. Because brokerage and research services acquired in this manner do not involve actual payments by the adviser out of its own pocket, this use of client commission dollars has become known as a “soft-dollar arrangement”. In recent years, the term “soft-dollar arrangements” has been used by some to refer only to those cases where the broker-dealer is providing third-party services. However, the term is meant to apply to such research and proprietary research and brokerage services provided by the broker-dealer through whom the trade is being placed.

To rely on the safe harbor offered by Section 28(e), two conditions must be satisfied: 1) Silvercrest must make a good-faith determination that the amount of commissions is reasonable in relation to the value of the brokerage and research services being received; and 2) the brokerage and research services must provide lawful and appropriate assistance to Silvercrest in carrying out its investment decision-making responsibilities. Silvercrest requires that the service must serve some legitimate brokerage or research function. The brokerage orders placed must be for securities transactions. Services that assist the adviser in recordkeeping, administrative, marketing and client servicing, among others, cannot be obtained in reliance on Section 28(e).

In permissible circumstances, Silvercrest may receive technology based research, market quotation and/or market survey services which are paid for in whole or part by soft dollar brokerage arrangements. Such research is used for the benefit of all Silvercrest accounts, including accounts which do not generate soft dollars. In some cases trades are placed separately for a particular client and in others they are bunched with trades for other clients who are buying or selling the same security. Whenever practicable, orders are bunched so that a lower commission rate per share can be negotiated; in such cases all participating clients receive the same price per share or other unit. The soft dollar research obtained by Silvercrest normally benefits many accounts rather than just the one(s) for which the order is being executed, and not all research may be used by Silvercrest in connection with the account(s) which paid commissions to the broker providing the research. For example, Silvercrest may use the commissions paid by its clients who invest in equity securities to obtain fixed-income research services. In this situation, the fixed-income research may benefit a set of Silvercrest's clients that is different from a set whose commissions generated the soft dollar credits. Silvercrest does not seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate.

When Silvercrest uses client brokerage commissions (or markups or markdowns) to obtain research or other products or services, it receives a benefit because it does not have to produce or pay for the research, products or services. Silvercrest 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 our clients’ interest in receiving most favorable execution.

(c) Directed Brokerage

Silvercrest does not recommend, request or require that any client direct it to execute transactions through a specific broker-dealer. However, some of our clients instruct Silvercrest to direct all or a portion of executions effected for its account to a specific broker-dealer under certain circumstances. In many cases, this is being done in return for services provided directly to that client, such as research, performance evaluation or other administrative services, master trust services, discounted commissions, or cash rebates to the client.

All such instructions must be provided to Silvercrest in writing and in a form to be approved by the Compliance Officer. By that letter, clients acknowledge that the instruction may result in execution costs which are higher than those Silvercrest is otherwise able to obtain because (i) no attempt will be made by Silvercrest to negotiate commissions with the selected broker-dealer on behalf of the client and (ii) Silvercrest may aggregate securities transactions on behalf of other clients and as a result thereof achieve for such other clients better execution than that obtained for the client giving the instruction, and that Silvercrest would be in a better position to negotiate brokerage commissions for the client by aggregating client's transactions with the transactions of such other clients if client had not directed Silvercrest to use that broker.

(d) Aggregation of Orders

Final allocations of purchase and sale transactions for clients are dependent on many factors, including client guidelines, strategy, market value, cash availability, weightings, credit rating of issue, the age of the trade request, recent trades for an account, the size of the order, the number of shares or bonds purchased, existing portfolio holdings by account, the characteristics of the market, and level of risk the client is willing to assume.
There is no specific calculation that must be used to allocate orders among clients, but the outcome of the allocation system implemented will result in the fair and equitable treatment of all clients, will always consider the suitability of the securities for specific clients, and will ensure that no accounts are given preferential treatment. One allocation method used where the entire amount of shares sought is not obtained is the pro-rata allocation of a day's transactions among accounts with open orders for that security, based on the average price obtained that day. Accounts are allocated shares in proportion to the percentage of the original amount of shares sought. Shares may also be allocated randomly.

ITEM 13 – REVIEW OF ACCOUNTS

I. Separately Managed Accounts

Client portfolios are reviewed by the portfolio managers assigned to them and his or her staff. Silvercrest also administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that they are being managed within the investment guidelines requested by each client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis and is administered by the Chief Compliance Officer.

We also rely on our clients to review their accounts to ensure that they reflect their current objectives, goals and capacity for risk.

Clients receive written monthly or quarterly reports, as they prefer, summarizing the holdings and activity in their accounts and the return on their investments. These reports are in addition to the statements clients receive directly from their custodian.

II. The Funds

The investments in the Funds are reviewed and reevaluated by Silvercrest.

Investors in the Funds receive written quarterly reports, or monthly if they prefer, summarizing the statement of capital, including the value of their investment activity in their accounts and the return on their investments.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

From time to time, Silvercrest deems it to be in the best interests of the firm and its clients to engage a third party (a "Solicitor") to introduce clients to Silvercrest. In most cases, after the initial referral, while the Solicitor continues to communicate with the client, the Solicitor does not engage in any decision-making or provide any investment advice with respect to the introduced client.

Depending on the specific arrangement, Silvercrest may pay Solicitors a fee, which may be calculated as a percentage of the fees paid to Silvercrest in connection with the client. In all cases, Silvercrest will enter into a written agreement with the Solicitor and introduced clients will be notified that compensation is paid to the Solicitor. In all other respects, the introduced clients will be subject to the policies and procedures of Silvercrest, including requirements concerning new account documents and account agreements.

ITEM 15 – CUSTODY

I. Separately Managed Accounts

All client account assets are held by a qualified custodian, whether a broker-dealer, a bank, or a trust company. These qualified custodians will deliver to clients, and clients will receive monthly or quarterly account statements summarizing the activity in their accounts and the return on their investments. These reports are in addition to the statements clients receive directly from Silvercrest, which are described in *Item 13 – Review of Accounts*. Silvercrest urges its clients to carefully review the statements received from the qualified custodians and compare the statements received from the qualified custodians with those received from Silvercrest.

II. The Funds

Because Silvercrest has custody of the Funds, it will deliver to its investors audited financial statements.

Silvercrest urges investors in the Funds to carefully review the statements received.

ITEM 16 – INVESTMENT DISCRETION

Clients' accounts are generally managed on a fully discretionary basis where Silvercrest makes all decisions as to which securities are bought or sold and/or the total amount bought or sold. Silvercrest is required to apply specific objectives and guidelines for each client portfolio which they are responsible for managing. If the client wishes to limit our discretion in any way, the limitation will be contained in the client's written investment objectives and guidelines. Clients who grant discretionary authority do so by executing a discretionary account agreement with Silvercrest. In accordance with its fiduciary duty, though Silvercrest may have been granted discretion over a client's assets, Silvercrest may recommend to clients that they invest some or all of those assets in a private fund managed on a discretionary basis by an unaffiliated third party. In those cases, Silvercrest is not exercising its discretion at the time of the investment in the private fund or during the time when the assets are invested by the third party.

Depending on the structure of the Funds, each Fund and every investor in each Fund enters into an agreement with Silvercrest by which Silvercrest is constituted and appointed as the attorney-in-fact for such Fund and its investors with power and authority to act in the name and on the Fund's and investor's behalf in every manner, including investing each Fund's assets and execution, acknowledgement, swearing to and filing documents necessary or appropriate to the conduct of Partnership business. No investment in any Fund, whether managed by Silvercrest or otherwise, is made for a client on a discretionary basis.

ITEM 17 – VOTING CLIENT SECURITIES

Silvercrest receives, from most clients, authority to cast shareholder votes by proxy with respect to the securities owned by its clients. Silvercrest has contracted with Broadridge Investor Communication Solutions, Inc. for its ProxyEdge service, which casts votes in connection with proxies for securities in clients' portfolios. ProxyEdge votes in accordance with the recommendations of Glass Lewis & Co., an independent proxy voting research company.

Some clients maintain their holdings with a custodian that does not facilitate use of ProxyEdge. Those clients' securities are voted by Silvercrest pursuant to discretion granted by those clients. In voting proxies, and determining whether to vote proxies, Silvercrest is guided by general fiduciary principles. The firm's goal is to act prudently, and solely in the best interest of the beneficial owners of the accounts it manages. Silvercrest attempts to consider all aspects of its vote that could affect the value of the investment and will vote proxies in the manner that it believes will be consistent with efforts to maximize shareholder values. Silvercrest does not necessarily have an obligation to vote every proxy; for example, Silvercrest may forego voting proxies if the client account that held the position no longer holds the position at the time of the vote, or the cost of voting (such as in the case of a vote regarding a foreign issuer that requires being physically present to vote) outweighs the anticipated benefit to the client's account.

Silvercrest generally divides proxies into two categories in determining how to vote: management proposals and shareholder proposals. Below are guidelines applied in determining how to vote in each case. These guidelines are not strict, and each Silvercrest vote will depend on the facts and circumstances of each proposal, on a case-by-case basis. Depending on the facts of a specific vote, Silvercrest may deviate from the guidelines entirely where it deems it necessary in the best interests of our clients, and/or as instructed by a specific client.

Management Proposals

I. Vote in support of management on the following ballot items, which are fairly common management-sponsored initiatives:

- Elections of directors who do not appear to have been remiss in the performance of their oversight responsibilities
- Approval of auditors
- Directors' and auditors' compensation
- Directors' liability and indemnification
- Discharge of board members and auditors
- Financial statements and allocation of income
- Dividend payouts that are greater than or equal to country and industry standards

- Authorization of share repurchase programs
- General updating of or corrective amendments to charter
- Change in Corporation Name
- Elimination of cumulative voting

II. Vote in support of management on the following items, which have potentially substantial financial or best-interest impact:

- Capitalization changes which eliminate other classes of stock and voting rights
- Changes in capitalization authorization for stock splits, stock dividends, and other specified needs which are no more than 50% of the existing authorization for U.S. companies and no more than 100% of existing authorization for non-U.S. companies
- Elimination of pre-emptive rights for share issuance of less than a given percentage (country specific - ranging from 5% to 20%) of the outstanding shares
- Elimination of "poison pill" rights
- Stock purchase plans with an exercise price of not less that 85% of fair market value
- Stock option plans which are incentive based and not excessive
- Other stock-based plans which are appropriately structured
- Reductions in super-majority vote requirements
- Adoption of anti-"greenmail" provisions

III. Vote against management (or do not vote in favor of management) on the following items, which have potentially substantial financial or best interest impact:

- Capitalization changes that add "blank check" classes of stock or classes that dilute the voting interests of existing shareholders
- Changes in capitalization authorization where management does not offer an appropriate rationale or which are contrary to the best interest of existing shareholders

- Anti-takeover and related provisions that serve to prevent the majority of shareholders from exercising their rights or effectively deter appropriate tender offers and other offers
- Amendments to by-laws which would require super-majority shareholder vote to pass or repeal certain provisions
- Elimination of Shareholders' Right to Call Special Meetings
- Establishment of classified boards of directors
- Reincorporation in a state which has more stringent anti-takeover and related provisions
- Shareholder rights plans that allow the board of directors to block appropriate offers to shareholders or which trigger provisions preventing legitimate offers from proceeding
- Excessive compensation
- Change-in-control provisions in non-salary compensation plans, employment contracts, and severance agreements which benefit management and would be costly to shareholders if triggered
- Adjournment of Meeting to Solicit Additional Votes
- "Other business as properly comes before the meeting" proposals which extend "blank check" powers to those acting as proxy

Shareholder Proposals

Traditionally, shareholder proposals have been used to encourage management and other shareholders to address socio-political issues. ERISA requires that the investment manager avoid using plan assets to attempt to affect such issues, instead examining shareholder proposals primarily to determine their economic impact on shareholders.

I. Vote in support of shareholders on the following ballot items, which are fairly common shareholder-sponsored initiatives:

  - Requirements that auditors attend the annual meeting of shareholders
  - Establishment of an annual election of the board of directors
  - Mandates requiring a majority of independent directors on the Board of Directors and the audit, nominating, and compensation committees
  - Mandates that amendments to bylaws or charters have shareholder approval
  - Mandates that shareholder-rights plans be put to a vote or repealed

- Establishment of confidential voting
- Expansions to reporting of financial or compensation-related information, within reason
- Repeals of various anti-takeover related provisions
- Reduction or elimination of super-majority vote requirements
- Repeals or prohibitions of "greenmail" provisions
- "Opting-out" of business combination provisions

II. Vote against shareholders (or do not vote in favor of shareholders) on the following initiatives, which are fairly common shareholder-sponsored initiatives:

- Limits to tenure of directors
- Requirements that candidates for directorships own large amounts of stock before being eligible to be elected
- Restoration of cumulative voting in the election of directors
- Requirements that the company provide costly, duplicative, or redundant reports; or reports of a non-business nature
- Restrictions related to social, political, or special interest issues which affect the ability of the company to do business or be competitive and which have significant financial or best-interest impact
- Proposals which require inappropriate endorsements or corporate actions

Clients may obtain information from Silvercrest regarding how it voted specific client securities by contacting their respective portfolio managers.

ITEM 18 – FINANCIAL INFORMATION

Because Silvercrest maintains discretionary authority over client accounts, it is required to disclose any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. It is unaware of any such current condition.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about A. Marshall Acuff, Jr., CFA that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

Additional information about Mr. Acuff is also available on the SEC's website at www.adviserinfo.sec.gov.

March 2014

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Acuff was born in 1939. He is a graduate of the College of William and Mary, where he received his Bachelor of Arts degree in Economics. He received his Masters in Business Administration from the University of Michigan's Graduate School of Business Administration. Mr. Acuff has been employed as a Portfolio Manager at Silvercrest since March 3, 2014. Prior to Silvercrest, he was a portfolio manager and held several other positons at Cary Street Partners LLC and its subsidiaries and affiliates.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Mr. Acuff's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about Edward F. Appel that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

August 2013

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Appel was born in 1951 and received a Bachelor of Science degree in Accounting from the University of Scranton. He has been a portfolio manager at Silvercrest since 2006.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Mr. Appel has discretionary authority only over the Muni Funds. With the assistance of the firm's the firm's Chief Executive Officer and its Chief Compliance Officer, John ("Buck") Stevenson monitors each of the investments directed by Mr. Appel.

In many cases, the investments made by Mr. Appel for the Muni Funds are reviewed by Mr. Stevenson prior to being made. In all cases, they are reviewed within days of being made. Mr. Stevenson monitors the Muni Funds' portfolios on a consistent basis to ensure that they are invested in accordance with their stated investment objectives.

Mr. Stevenson's telephone number is 212-649-0742.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about Matthew Arpano that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

Additional information about Mr. Arpano is also available on the SEC's website at www.adviserinfo.sec.gov.

August 2013

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Arpano was born in 1968 and received a Bachelor of Arts degree in Economics from the University of Rhode Island, graduating Summa Cum Laude, and a Master of Business Administration in Finance from The University of Miami. He is a manager of equity and fixed income portfolios and a member of the firm's Management Committee. Mr. Arpano has been a portfolio manager and Managing Director at Silvercrest since 2006.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Mr. Arpano's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about Jeremiah M. Bogert that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

August 2013

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Bogert was born in 1941 and received a Bachelor of Arts degree from the Yale University and a Master of Business Administration from the University of Connecticut. He has been a portfolio manager at Silvercrest since 2004 and is now a Senior Adviser.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Mr. Bogert's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about Philip A. Cannistraro that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

August 2013

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Cannistraro was born in 1945 and received a Bachelor's degree in Business Administration from Manhattan College. He has been a Senior Adviser at Silvercrest since 2013.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Mr. Cannistraro's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about Palmer P. Garson that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

Additional information about Ms. Garson is also available on the SEC's website at www.adviserinfo.sec.gov.

March 2014

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Ms. Garson was born in 1956. She has a Bachelor of Arts from Duke University and a Master of Business Administration from the Darden Graduate School of Business at the University of Virginia. Mss. Garson has been employed as a Portfolio Manager at Silvercrest since March 3, 2014. Prior to Silvercrest, she was a portfolio manager and held several other positons at Cary Street Partners LLC and its subsidiaries and affiliates.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Ms. Garson's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about J. Allen Gray that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

Additional information about Mr. Gray is also available on the SEC's website at www.adviserinfo.sec.gov.

August 2013

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Gray was born in 1960 and received a Bachelor of Arts degree from Randolph Macon College. He has been a portfolio manager at Silvercrest since 2008. He was a Managing Partner at Osprey Partners Investment Management, LLC from 1998 to 2008.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Mr. Gray's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about Cathy Jameson that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

August 2013

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Ms. Jameson was born in 1954 and received a Bachelor of Arts degree in Latin American Studies from Denison University. She has been a portfolio manager at Silvercrest since 2002.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Ms. Jameson's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about Bart A. Johnston that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Johnston is a Managing Director and portfolio manager. He arrived at Silvercrest as a result of the firm's merger with James C. Edwards Asset Management where he had worked since 1997. Mr. Johnston was a Vice President and Director at JCE in charge of portfolio management, marketing and technology. Previously he spent five years as a Director of Met Investment Services, the institutional money management arm of MetLife.

Mr. Johnston was born in 1965 and received a Bachelor of Arts degree from the University of Vermont. He received a Master of Business Administration in Marketing and Finance from Columbia Business School. He has been a portfolio manager at Silvercrest since 2004.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Mr. Johnston's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about Todd Kanter that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

Additional information about Mr. Kanter is also available on the SEC's website at www.adviserinfo.sec.gov.

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Kanter was born in 1954 and received Bachelor of Arts and Masters of Arts degrees from Tufts University. He has been a portfolio manager at Silvercrest since 2008. He was Chief Executive Officer of Marathon Capital Group from 2000-2008.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Mr. Kanter's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

Form ADV Part 2B Brochure Supplement

Item 1 – Cover Page

This brochure provides information about David B. MacNeil that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. MacNeil was born in 1942 and received a Bachelor of Arts degree from Princeton University and a Master of Business Administration from Harvard Business School. He began as a portfolio manager at Silvercrest in 2004, when Silvercrest acquired James C. Edwards Asset Management, where he was President. He is now a Senior Adviser.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Mr. MacNeil's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

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Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about Sally Megear that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

Additional information about Ms. Megear is also available on the SEC's website at www.adviserinfo.sec.gov.

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Item 2 – Educational Background and Business Experience

Ms. Megear was born in 1952 and received a Bachelor of Arts degree from the University of New Hampshire. She has been a portfolio manager at Silvercrest since 2003.

Item 3 – Disciplinary Information

None.

Item 4 – Other Business Activities

None.

Item 5 – Additional Compensation

None.

Item 6 – Supervision

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Ms. Megear's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about Albert S. Messina that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

Additional information about Mr. Messina is also available on the SEC's website at www.adviserinfo.sec.gov.

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Messina was born in 1947 and received a Bachelor of Arts degree in Economics from Brooklyn College. He has been a portfolio manager at Silvercrest since 2002.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Mr. Messina's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about Jeremiah Milbank III that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

Additional information about Mr. Milbank is also available on the SEC's website at www.adviserinfo.sec.gov.

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Milbank was born in 1948 and received an M.B.A. from Stanford University, a J.D. from the University of Virginia Law School, and a B.A. from Trinity College. He became a portfolio manager at Silvercrest in 2011 when it acquired the assets of Milbank Winthrop & Co., which he founded in 1980.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Mr. Milbank's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about Judy Morrill that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Ms. Morrill was born in 1962 and received a Bachelor of Arts degree in Political Science and French from Hollins University, graduating Cum Laude, and a Master of Business Administration in Finance from New York University's Leonard N. Stern School of Business. She joined Silvercrest as Managing Director in 2013, where she is a portfolio manager.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Ms. Morrill's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

Form ADV Part 2B Brochure Supplement

Item 1 – Cover Page

This brochure provides information about David Murdock that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

Additional information about Mr. Murdock is also available on the SEC's website at www.adviserinfo.sec.gov.

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Murdock was born in 1970 and received a Bachelor of Science degree in Business from the University of Kansas, and a Master of Business Administration in Finance from The University of Chicago, Booth School of Business. Mr. Murdock has worked in numerous financial, tax and investment fields since 1992, providing private clients with holistic wealth management services. He has been portfolio manager and Managing Director at Silvercrest since 2013.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Mr. Murdock's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about Stanley A. Nabi that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Nabi was born in 1930 and received a Bachelor of Arts degree in Economics from Columbia University and conducted graduate studies in Economics at New York University. He is a Chartered Financial Analyst. He has been a portfolio manager at Silvercrest since 2004 and is now a Senior Adviser.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Mr. Nabi's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about Stanley Reese that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Reese was born in 1948 and received a Bachelor of Science degree from the University of Amsterdam, and a Masters degree in Business Administration in Finance and Real Estate from Columbia University Business School. He has been a portfolio manager and Managing Director at Silvercrest since 2001, prior to which he was a Managing Director at Zurich Scudder Investments, Inc.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Mr. Reese's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about Ian Smith that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

Additional information about Mr. Smith is also available on the SEC's website at www.adviserinfo.sec.gov.

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Smith was born in 1969 and received a Bachelor of Arts degree in Business from the University of Southern California. He has been a portfolio manager at Silvercrest since 2002.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Mr. Smith's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about Douglas Munro Stevenson that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Stevenson was born in 1960 and received a Bachelor of Science degree from Colgate University. He has been a portfolio manager at Silvercrest since 2006.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Mr. Stevenson has discretionary management over the Muni Funds only. With the assistance of the firm's Chief Executive Officer and its Chief Compliance Officer, John ("Buck") Stevenson monitors each of the investments directed by Mr. Stevenson.

In many cases, the investments made by Mr. Stevenson for the Muni Funds are reviewed by Buck prior to being made. In all cases, they are reviewed within days of being made. Buck monitors the Muni Funds' portfolios on a consistent basis to ensure that they are invested in accordance with their stated investment objectives.

Buck Stevenson's telephone number is 212-649-0742.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about John Stevenson that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Stevenson was born in 1958 and received a Bachelor of Arts degree from Gettysburg College. He has been a portfolio manager at Silvercrest since 2005.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Mr. Stevenson has discretionary management over the Muni Funds only. With the assistance of the firm’s Chief Executive Officer and its Chief Compliance Officer, Mr. Stevenson monitors each of the investments for the Muni Funds himself.

In many cases, the investments made by Mr. Stevenson for the Muni Funds are reviewed by the other portfolio managers of the Muni Funds prior to being made. In all cases, they are reviewed within days of being made. Mr. Stevenson and the other portfolio managers for the Funds monitor the Muni Funds’ portfolios on a consistent basis to ensure that they are invested in accordance with their stated investment objectives.

Mr. Stevenson’s telephone number is 212-649-0742. The firm’s Chief Compliance Officer is David J. Campbell. Mr. Campbell’s telephone number is 212-649-0623.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about David H. (Zach) Taylor, Jr. that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

Additional information about Mr. Taylor is also available on the SEC's website at www.adviserinfo.sec.gov.

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

David H. (Zach) Taylor, Jr. was born in 1946 and served for three years as an officer in the U.S. Marine Corps. He received an M.B.A. from Columbia University and an A.B. from Harvard College. He has been a portfolio manager at Silvercrest since 2011 when Silvercrest acquired the assets of Milbank Winthrop & Co., Inc., where he was a principal. He joined Milbank in 1989 after having worked as an investment manager and general partner at A.W. Jones Company, one of the securities industry's first investment partnerships.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Mr. Taylor's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about Robert Teeter that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Teeter was born in 1972 and received a Bachelor of Arts degree in Economics from Bucknell University and a Master of Business Administration from New York University Stern School of Business. He has been responsible for advising private funds at Silvercrest since August 1, 2013.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Mr. Bogert's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about Peter F. Tobeason that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

Additional information about Mr. Tobeason is also available on the SEC's website at www.adviserinfo.sec.gov.

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Peter F. Tobeason was born in 1960 and received a Bachelor of Science and Engineering degree from Princeton University He has been a portfolio manager at Silvercrest since 2011 when Silvercrest acquired the assets of Milbank Winthrop & Co., Inc., where he was a principal since 2007. Mr. Tobeason is also the majority owner and President of MW Commodity Advisors, LLC (an affiliate of Milbank) which serves as the general partner of MW Commodity Strategies Fund, L.P., a private investment fund that invests in commodity and macro oriented funds.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Mr. Tobeason's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

Form ADV Part 2B Brochure Supplement

ITEM 1 – COVER PAGE

This brochure provides information about Carter Whisnand that supplements the Silvercrest Form ADV Part 2 Brochure. You should have received a copy of that brochure. Please contact us at 212-649-0600 if you did not receive Silvercrest Form ADV Part 2 Brochure or if you have any questions about the contents of this supplement.

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ITEM 2 – EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Whisnand was born in 1971 and received a Bachelor of Arts degree in Economics from the University of Virginia and a Master of Business Administration from the Darden School at the University of Virginia. He has been a portfolio manager at Silvercrest since 2003.

ITEM 3 – DISCIPLINARY INFORMATION

None.

ITEM 4 – OTHER BUSINESS ACTIVITIES

None.

ITEM 5 – ADDITIONAL COMPENSATION

None.

ITEM 6 – SUPERVISION

Silvercrest administers a portfolio manager peer group review, in which portfolio managers review each other's client accounts to ensure that investment advice is consistent with the investment guidelines requested by the client. Peer review occurs whenever a client communicates a substantial change in financial circumstances or objectives but no less than annually. A follow up review is conducted within six months of the initial review to ensure advice continues to comply with a client's investment guidelines.

The peer review process involves portfolio managers of at least a Senior Vice President or Managing Director level reviewing accounts of peer managers on a one-on-one basis. The firm's Chief Compliance Officer, is responsible for supervising Mr. Whisnand's advisory activities by administering the peer review process.

The firm's Chief Compliance Officer is David J. Campbell and his telephone number is 212-649-0623.

Your Privacy is Important to Us

At Silvercrest, we understand that our relationship with you is based on trust. This is reflected in everything we do, including the way we handle our clients' nonpublic personal information. The following disclosure explains what personal information we collect, what we do with that information and the steps we have put in place to protect the nonpublic personal information you have entrusted to us.

Information We Collect

From time to time, we gain access to your personal information through

- Our interaction with you on the telephone, in person or through e-mail
- Account Applications or other forms you complete
- Transactions in your accounts or on your behalf
- Our website or the websites of our affiliated companies
- Trading tools or other information tools we may make available to you
- Third parties with whom we deal

It is the policy of Silvercrest, in collecting U.S. Social Security numbers in the course of business to:

- protect the confidentiality of such Social Security numbers;
- prohibit the unlawful disclosure of such Social Security numbers; and
- limit access to such Social Security numbers.

Information We Disclose

It is Silvercrest policy not to disclose any of your nonpublic personal information to third parties without your consent, unless those parties are providing services or support to us and have agreed to keep your nonpublic personal information confidential. Examples of these parties include the custodians with which you have entrusted your assets, our attorneys and the company(ies) that to perform our internal auditing. Even if you cease to transact business with Silvercrest, we will continue to apply the same protections to your nonpublic personal information as we did when you were an active client.

The Silvercrest Family of Companies

Silvercrest Asset Management Group LLC is at the center of a small family of related companies which are owned in whole or in part by Silvercrest L.P. These affiliated companies allow us to provide greater value to our customers, employees and shareholders. In the course of our business, employees or representatives of various Silvercrest affiliates will have access to your nonpublic personal information. They have agreed to hold your information confidential and to comply with the privacy policy established by Silvercrest.

Protecting Your Information

Silvercrest protects your nonpublic information from access by third parties by maintaining physical, electronic and procedural safeguards. We limit access to your information to those employees who are trained in the proper handling of nonpublic client information and who need access to the information to perform their job functions. We do not share your information for marketing purposes.

Federal law gives you the right to limit some but not all disclosure (or sharing) of your information. State laws may give you additional rights to limit sharing. You can limit our sharing information: (i) about your creditworthiness with our affiliates; and (ii) with anyone for marketing purposes.

For more information, to find out what personal information of yours we have collected, or to update your personal information, please contact the Office of the General Counsel at Silvercrest at 212-649-0623.