

P & A

Capital Advisors

500 FIFTH AVE. SUITE 2700, NEW YORK, NY 10110
212.764.6455 • WWW.PACAPADVISORS.COM

Q Describe your firm, its offerings and its mission.

The firm's Principals have advised on investing in hedge funds since 1987. They possess deep relationships in the investment management community, seeking best of breed managers in primarily equity focused, fundamental research based strategies. The funds are managed in accordance with best practices in fund operations and administration.

We have operated our funds of hedge funds with the following core investment objectives:

- Generate competitive returns in rising markets
- Preserve capital in declining markets
- Provide superior returns over full market cycles
- Achieve positive returns with low volatility relative to equity indices

Q Describe your investment strategy and how it might be unique.

Our funds are primarily focused on fundamental, research driven equity themes. Secondly, they focus on credit strategies. The funds should be positioned as an alternative to long only equity, with about half the downside vol of the S&P 500. Our flagship funds have a 17 and 20 year track record, and have outperformed the S&P 500 and HFR Fund of Fund index over almost every rolling time period since their inception. Generally, approximately 75% of manager positions on a look-through basis are equity based, via

investments in hedged equity and event driven styles. Our managers are generally investors as opposed to traders, which has contributed to our funds tax efficiency.

Q Describe how your investment products fit into a well-rounded asset allocation strategy.

Although we invest with hedge fund managers, we don't necessarily view ourselves as investors in alternative asset classes. For example, we view timber, commodities, real estate, energy, and various quantitative trading strategies, as purer examples of alternative asset classes. Therefore, we position our funds as vehicles that are appropriately considered as an element of an investor's equity allocation, complementing their long only holdings.

AT A GLANCE

Firm name: P&A Capital Advisors, Inc.
Principals: Tony Peyser, David Alexander
Employees: 9
Location: New York
Years in business: 20
Assets under management: \$370 mil
Minimum investment: Various, depending on fund