

FORM ADV

Part II - Page 1

Uniform Application for Investment Adviser Registration

OMB APPROVAL	
OMB Number:	3235-0049
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Hours per response...	.9.402

Name of Investment Adviser: Sage Capital Management LLC				
Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code: Telephone Number:
622 Third Avenue	New York	NY	10017	(212) 201-2222

This part of Form ADV gives information about the investment adviser and its business for the use of clients. The information has not been approved or verified by any governmental authority.

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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Applicant: Sage Capital Management LLC	SEC File Number: 801-56261	Date: 11/1/2007
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1. **A. Advisory Services and Fees.** (check the applicable boxes) For each type of service provided, state the approximate % of total advisory billings from that service. (See instruction below.)

Applicant:

<input checked="" type="checkbox"/> (1) Provides investment supervisory services	<u>35%</u>
<input checked="" type="checkbox"/> (2) Manages investment advisory accounts not involving investment supervisory services	<u>35%</u>
<input checked="" type="checkbox"/> (3) Furnishes investment advice through consultations not included in either service described above	<u>10%</u>
<input type="checkbox"/> (4) Issues periodicals about securities by subscription	<u> %</u>
<input type="checkbox"/> (5) Issues special reports about securities not included in any service described above	<u> %</u>
<input checked="" type="checkbox"/> (6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities	<u>10%</u>
<input checked="" type="checkbox"/> (7) On more than an occasional basis, furnishes advice to clients on matters not involving securities	<u>10%</u>
<input checked="" type="checkbox"/> (8) Provides a timing service	<u> %</u>
<input type="checkbox"/> (9) Furnishes advice about securities in any manner not described above	<u> %</u>

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

B. Does applicant call any of the services it checked above financial planning or some similar term? Yes No

C. Applicant offers investment advisory services for: (check all that apply)

<input checked="" type="checkbox"/> (1) A percentage of assets under management	<input type="checkbox"/> (4) Subscription fees
<input checked="" type="checkbox"/> (2) Hourly charges	<input type="checkbox"/> (5) Commissions
<input checked="" type="checkbox"/> (3) Fixed fees (not including subscription fees)	<input checked="" type="checkbox"/> (6) Other

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. **Types of clients - Applicant generally provides investment advice to:** (check those that apply)

<input checked="" type="checkbox"/> A. Individuals	<input checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations
<input type="checkbox"/> B. Banks or thrift institutions	<input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above
<input type="checkbox"/> C. Investment companies	<input checked="" type="checkbox"/> G. Other (describe on Schedule F)
<input checked="" type="checkbox"/> D. Pension and profit sharing plans	

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

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3. Types of Investments. Applicant offers advice on the following: (check those that apply)

- | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><input checked="" type="checkbox"/> A. Equity securities</p> <p><input type="checkbox"/> (1) exchange-listed securities</p> <p><input type="checkbox"/> (2) securities traded over-the-counter</p> <p><input checked="" type="checkbox"/> (3) foreign issues</p> <p><input type="checkbox"/> B. Warrants</p> <p><input type="checkbox"/> C. Corporate debt securities
(other than commercial paper)</p> <p><input type="checkbox"/> D. Commercial paper</p> <p><input checked="" type="checkbox"/> E. Certificates of deposit</p> <p><input checked="" type="checkbox"/> F. Municipal securities</p> <p>G. Investment company securities:</p> <p><input type="checkbox"/> (1) variable life insurance</p> <p><input type="checkbox"/> (2) variable annuities</p> <p><input checked="" type="checkbox"/> (3) mutual fund shares</p> | <p><input checked="" type="checkbox"/> H. United States government securities</p> <p>I. Options contracts on:</p> <p><input checked="" type="checkbox"/> (1) securities</p> <p><input type="checkbox"/> (2) commodities</p> <p>J. Futures contracts on:</p> <p><input type="checkbox"/> (1) tangibles</p> <p><input type="checkbox"/> (2) intangibles</p> <p>K. Interests in partnerships investing in:</p> <p><input checked="" type="checkbox"/> (1) real estate</p> <p><input type="checkbox"/> (2) oil and gas interests</p> <p><input type="checkbox"/> (3) other (explain on Schedule F)</p> <p><input checked="" type="checkbox"/> L. Other (explain on Schedule F)</p> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

4. Methods of Analysis, Sources of Information, and Investment Strategies.

A. Applicant's security analysis methods include: (check those that apply)

- | | |
|-----------------------------------------------------|------------------------------------------------------------|
| (1) <input type="checkbox"/> Charting | (4) <input type="checkbox"/> Cyclical |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input type="checkbox"/> Other (explain on Schedule F) |
| (3) <input type="checkbox"/> Technical | |

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|-------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines | (5) <input type="checkbox"/> Timing services |
| (2) <input type="checkbox"/> Inspections of corporate activities | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the
Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input type="checkbox"/> Company press releases |
| (4) <input checked="" type="checkbox"/> Corporate rating services | (8) <input type="checkbox"/> Other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|--------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| (1) <input checked="" type="checkbox"/> Long term purchases
(securities held at least a year) | (5) <input checked="" type="checkbox"/> Margin transactions |
| (2) <input checked="" type="checkbox"/> Short term purchases
(securities sold within a year) | (6) <input checked="" type="checkbox"/> Option writing, including covered options, uncovered
options or spreading strategies |
| (3) <input type="checkbox"/> Trading (securities sold within 30 days) | (7) <input type="checkbox"/> Other (explain on Schedule F) |
| (4) <input type="checkbox"/> Short sales | |

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5. Education and Business Standards.

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? Yes No

(If yes, describe these standards on Schedule F.)

6. Education and Business Background.

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- name
- year of birth
- formal education after high school
- business background for the preceding five years

7. Other Business Activities. (check those that apply)

- A. Applicant is actively engaged in a business other than giving investment advice.
- B. Applicant sells products or services other than investment advice to clients.
- C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

- A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:

<input type="checkbox"/> (1) broker-dealer	<input type="checkbox"/> (7) accounting firm
<input type="checkbox"/> (2) investment company	<input type="checkbox"/> (8) law firm
<input type="checkbox"/> (3) other investment adviser	<input type="checkbox"/> (9) insurance company or agency
<input type="checkbox"/> (4) financial planning firm	<input type="checkbox"/> (10) pension consultant
<input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant	<input type="checkbox"/> (11) real estate broker or dealer
<input type="checkbox"/> (6) banking or thrift institution	<input type="checkbox"/> (12) entity that creates or packages limited partnerships

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?..... Yes No

(If yes, describe on Schedule F the partnerships and what they invest in.)

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9. Participation or Interest in Client Transactions.

Applicant or a related person: (check those that apply)

- A. As principal, buys securities for itself from or sells securities it owns to any client.
- B. As broker or agent effects securities transactions for compensation for any client.
- C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

10. Conditions for Managing Accounts. Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services and impose a minimum dollar value of assets or other conditions for starting or maintaining an account?

Yes No

(If yes, describe on Schedule F.)

11. Review of Accounts. If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. For reviews, include their frequency, different levels, and triggering factors. For reviewers, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

Reviews of all client accounts is conducted by a management compliance representative on at least a quarterly basis. The compliance officer presently is Lawrence C. Busch. Consultation with outside counsel may be considered for certain issues, determined on an as needed basis. At this time, there is one level of comprehensive review that considers the following critical factors in accordance with established compliance standards; liquidity; investment basis; concentration; redundancy; performance of funds and/or money managers; exceptions to change in investment practice by fund and/or money managers; and changes in client's financial conditions or objectives. Material changes in market conditions and/or economic outlook may also warrant review.

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

On at least a quarterly basis, all clients receive a portfolio monitoring report from Sage Capital Management LLC. This report is in addition to any reports or statements a client may receive from the brokerage firm or other institution where the client's money is invested. The portfolio monitoring report, at a minimum, provides clients with an Executive Summary (outlining the total value of positions), an Asset Allocation Review, a Portfolio Composition, Transaction Ledger Summary, and Investment Performance returns. Investors in Excel Alternative Strategies Fund, LP (the "Fund") receive periodic reports no less frequent than quarterly regarding the Fund's performance, and an annual audited financial report for the Fund.

Applicant:

Sage Capital Management LLC

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801-56261

Date:

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12. Investment or Brokerage Discretion.

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

- (1) securities to be bought or sold? Yes No
- (2) amount of the securities to be bought or sold? Yes No
- (3) broker or dealer to be used? Yes No
- (4) commission rates paid? Yes No

B. Does applicant or a related person suggest brokers to clients? Yes No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

13. Additional Compensation.

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? Yes No
- B. directly or indirectly compensates any person for client referrals? Yes No

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities unless applicant is registered or registering only with the Securities and Exchange Commission; or
- requires prepayment of more than \$500 in fees per client and 6 or more months in advance

Has applicant provided a Schedule G balance sheet? Yes No

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part (I)

Applicant: Sage Capital Management LLC	SEC File Number: 801-56261	Date: 11/1/2007
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1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:		IRS Empl. Ident. No.: 13-4037642
Item of Form (identify)	Answer	

1.D.

Financial Planning

The Sage Capital Management LLC Asset Allocation Analysis and Dynamic Cash Flow Analysis are designed to serve as a detailed financial analysis for the client and the client's family or business. These analyses focus on a number of areas, including investments, portfolio allocation, income tax planning, insurance, education funding, business valuation, real estate analysis, estate planning, and retirement income distribution modeling. The Asset Allocation analysis is designed to evaluate the client's current financial situation, assists the client in clarifying financial goals, and presents one or more recommendations for attempting to achieve these goals. It is customized to each client's particular categories of securities, such as money managers, stock and bonds, mutual funds, etc. but does not recommend specific securities. To implement the plan, separate investment advisory services may be provided (discussed below).

A client who wishes to have an Asset Allocation Analysis and/or Dynamic Cash Flow Analysis prepared enters into an agreement with Sage Capital Management LLC. The client, with the assistance of both the Investment Advisor (either a Sage Capital Management LLC Investment Advisor or the client's own selected Investment Advisor), and a Sage Capital Management LLC financial planner (hereinafter referred to as "FP"), then gathers documents and information about the client's financial situation. The client and the Investment Advisor, with the assistance of the FP, then complete a financial planning questionnaire. The FP prepares an Asset Allocation Analysis and/or Dynamic Cash Flow Analysis, consulting with the client's attorney, accountant, and other personal advisors as necessary. The plan is then reviewed and presented to the client by the FP. Clients may terminate all services at any time.

In connection with implementing an Asset Allocation Analysis, but not as part of the Asset Allocation Analysis advisory service, a client's Investment Advisor may recommend the purchase or sale of various securities or the taking of other steps to implement the Asset Allocation Analysis. However, all investment decisions implementing or otherwise following up on an Asset Allocation Analysis are the client's responsibility. It is also the client's responsibility to inform the FP and/or Investment Advisor if the client's situation has changed such that continue implementation of the Asset Allocation Analysis may be inappropriate. Clients should understand that all investments carry some degree of risk (the amount of which may vary significantly) and that performance of any kind and the achievement of financial planning goals can never be guaranteed.

Private Investment Fund

Sage Capital Management LLC provides investment advice to Excel Alternative Strategies Fund, LP (the "Fund"), a private investment fund that invests primarily in interests in other unaffiliated private investment funds (i.e., a "fund of funds").

Sage Capital Management LLC provides investment advice to The Sage Capital Opportunity Fund, LLC ("SCOF"), a private investment in AAF-Springfield, Inc. a company formed to make investments in wholesale spring water production, filtration and distribution in the Alabama/Tennessee area.

Investment Advisory Services

Based on an Asset Allocation Analysis and/or asset allocation models, investments may be recommended.

Recommendations are based on, but not limited to, clients' investment objectives, investments guidelines, established procedures for selecting money managers and/or investments, established securities guidelines, established procedures for monitoring money managers and/or investments.

Based on the aforementioned Investment Advisory Services Criteria, money manger(s) may be recommended.

Services include, but are not limited to: providing proposal for a number of alternative money manger structures; negotiating favorable account size minimums and fees with appropriate money managers; coordinating custody and brokerage services; providing on-going supervision of investment program; preparing a detailed quarterly appraisal of consolidated holdings and portfolio transactions.

Additionally, performance reports comparing performance of portfolio against market indices, state investment objectives and managers of similar style are provided.

Complete amended pages in full, circle amended items and file with execution page (page I).

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant: Sage Capital Management LLC	SEC File Number: 801-56261	Date: 11/1/2007
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1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:		IRS Emp. Ident. No.: 13-4037642
Item of Form (identify)	Answer	

1.D.

For those clients who wish to establish and maintain their own portfolio, recommendations re made using various methods including, but not limited to, fundamental analysis, dividend discount valuation models, capital asset pricing models, corporate literature, etc. Not all methods are used in every case.

Some examples of sources used for information are: Value Line, Dow Jones News, Ibbotson Associates, Morningstar and direct contact with corporations.

Although portfolios are tailored to clients' specific objective and/or asset allocation models, most portfolios are geared for long-term investing.

Fixed income recommendations include, but are not limited to, municipal bonds, corporate bonds, treasury securities, bank-rated bonds, DD's, government securities and money markets.

Mutual Funds may be used to diversify portfolios in areas that are outside the scope of experience of internal Investment Advisors.

In connection with implementing an Asset Allocation Analysis, but not as part of the Asset Allocation Analysis advisory service, a client's Investment Advisor may recommend the purchase or sale of various securities or other steps to implement the asst Allocation Analysis. However, all investment decisions implementing or otherwise following up on an Asset Allocation Analysis are the client's responsibility. It is also the client's responsibility to inform the FP and /or Investment Advisor if the client's situation has changed such that continued implementation of the Asset Allocation Analysis may be inappropriate. Clients should understand that all investments carry some degree of risk (the amount of which may vary significantly) and that performance of any kind and the achievement of financial planning goals can never be guaranteed.

In certain cases, mutual fund investing may be the most appropriate for the client. Circumstances include, but are not limited to, clients' objectives and goals, limited investment dollars precluding ability to diversify, special areas of the market, etc.

It is relevant to note that performance is only one of the many factors used in determining a mutual fund selection for the client.

However, all investment decisions implementing or otherwise following up on an Asset allocation Analysis involving Mutual Fund investing are the client's responsibility. It is also the client's responsibility to inform the FP and /or Investment Advisors if the client's situation has changed such that continued implementation of the asset Allocation Analysis may be inappropriate. Clients should understand that all investment carry some degree of risk (the amount of which may vary significantly) and that performance of any kind and the achievement of financial planning goals can never be guaranteed.

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV
Continuation Sheet for Form ADV Part II**

Applicant: Sage Capital Management LLC	SEC File Number: 801- 56261	Date: 08/11/08
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1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:		IRS Empl. Ident.No.: 13-4037642
Item of Form (identify)	Answer	

**1. D.
FEE STRUCTURE AND BILLING**

Level I Service (one time fee)

Investor Profile, Asset Allocation, Cash Flow Analysis

Flat fee: \$10,000

Level II Service (annual fee)

	Performance Monitoring & <u>Supervision *</u>	Fixed Income <u>Management*</u>
On all assets	1.00%	.60%
Minimum Fee	\$10,000	\$6,000

- Fees are billed quarterly based on the average valuation of assets during a calendar quarter ad subject to minimum fee limitations.

Consulting Services

\$400 per hour

The Fund pays Sage an annual management fee of 1.25% of its net asset value (0.3125% payable quarterly in advance). The Fund's general partner, Excel Alternative Strategies GP, LLC (the "GP"), an affiliate of Sage, receives an incentive allocation from the Fund at the end of each year (or upon an investor's withdrawal of capital from the Fund), subject to a loss carry forward provision, equal to 5% of the aggregate net capital appreciation of the Fund's assets (including unrealized gains and losses and net of expenses). Sage and/or the General Partner may waive or lower the management fee and/or special allocation with respect to one or more investors in the Fund, in their discretion. All fees and allocations are non-refundable.

"SCOF" pays Sage Capital Management LLC a 20% allocation of profits after all expenses.

BOND PORTFOLIO MANAGEMENT

Brief description of Bond Portfolio Management Service

Sage Capital Management LLC creates and manages customized bond portfolios for individual high net worth clients. Sage Capital Management strategy focuses on investment grade, short/intermediate term bonds to meet clients' predominate capital preservation objectives. Sage Capital Management emphasizes diligent research (credit, structural, market), yield curve analysis, security selection and execution, an appropriate bond swapping. Sage Capital Management's sole compensation for this service consists of a fee applied to the market value of each client's portfolio (billed quarterly). Sage Capital Management holds no inventory and charges no commissions or markups. Sage capital Management executes all trades on the buy side of the business as an institutional buyer and seller through a network of broker/dealer contacts. All trades are cleared through Charles Schwab & Company. Schwab also acts as custodian for all sage Capital Management's clients.

3. The Fund invests primarily in interests in other unaffiliated private investment funds.

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:	SEC File Number:	Date:
Sage Capital Management LLC	801-56261	11/1/2007

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:		IRS Empl. Ident. No.:
		13-4037642
Item of Form (identify)	Answer	

12. B. INVESTMENT OF BROKERAGE DISCRETION

In the equity area we use Charles Schwab and Company for execution and custody. As a discount broker, their fees are among the lowest in the industry. They also provide superior back office support, technology and access to managed products (both mutual funds and separate accounts). Clients do not pay a premium on commissions for research that we receive from Schwab. We receive no soft dollar incentives from Schwab.

In the Bond area we use Schwab as custodian but utilize a network of 18 institutional board dealers to execute trades. We receive no compensation or soft dollars from any of these dealers. Dealers were selected based on their ability to "cover" various segments of the bond market.

Complete amended pages in full, circle amended items and file with execution page (page 1).