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Part 2A of Form ADV (the “Brochure”) provides information about the qualifications and business practices of Wafra Capital Partners Inc. (“Wafra Capital Partners” or the “Firm”). If you have any questions about the contents of this Brochure, please contact Vincent Campagna, Chief Compliance Officer, at (212) 759.3700. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority, and any references in this Brochure to the Firm or any of its affiliates as a “registered investment adviser” are not intended to imply a certain level of skill or training.

Additional information about Wafra Capital Partners is also available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 2- Material Changes

No material changes have occurred with respect to the Firm's business since January 24, 2012, the date of the most recent filing of the Brochure. The Firm generally has, however, updated various disclosures herein, including Items 5-6, 8 and 11.

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ITEM 4 - Advisory Business

Wafra Capital Partners provides discretionary investment advisory services to its clients (each, a “Fund” and collectively, the “Funds”), which are non-U.S. domiciled investment vehicles intended for non-U.S. investors, based on the Funds’ investment objectives, strategies, guidelines and restrictions. The Firm registered as an investment adviser with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”), in December 2011.

Wafra Capital Partners, which was formed as a Delaware corporation in December 2010, is managed primarily by members of the former Structured Finance division and Business & Product Development division of Wafra Investment Advisory Group, Inc. (“WIAG”), an affiliate of the Firm. Each of the Firm and WIAG, an SEC-registered investment adviser, is majority-owned by Wafra InterVest Corporation (“WIC”), a Cayman Islands company that is beneficially owned by the Public Institution for Social Security of Kuwait. WIAG provides certain administrative and operational services to the Firm.

The Firm’s advisory services principally focus on structuring and advising investment vehicles in the equipment leasing, structured finance and real estate arenas that generally, though not always, are intended to comply with Shari’ah principles, as well as other debt and financial structures and leverage-oriented investments that are also often designed to comply with Shari’ah principles. Prior to Wafra Capital Partners’ formation as a distinct corporate affiliate of WIAG and subsidiary of WIC, the Firm’s investment personnel, while serving as members of WIAG’s Structured Finance division, were responsible for providing day-to-day investment advisory services and making investment decisions with respect to numerous Shari’ah-compliant and other investment vehicles and products.

As of January 1, 2013, the Firm managed approximately \$3,045,500,000 of Fund assets, of which \$2,906,900,000 are managed on a discretionary basis.

ITEM 5- Fees and Compensation

Wafra Capital Partners generally charges each Fund an annual investment advisory fee based on the amount of outstanding capital contributed or committed to the Fund by investors, or on the net asset value of the Fund. Generally, these investment advisory fees are deducted from each Fund's account on a quarterly basis. Funds may also pay to Wafra Capital Partners or to an affiliate of Wafra Capital Partners performance-based compensation, as discussed in Item 6. In some cases, Fund investors are subject to the capital-based and/or asset-based investment advisory fees and any performance-based compensation through their investment in a Fund.

In addition to paying investment advisory fees and, if applicable, performance-based compensation, the Funds may also be subject to other investment fees and expenses. Such fees and expenses may include, but are not limited to: annual administration fees and/or shareholder servicing fees; structuring fees; selling and marketing costs; transaction due diligence and related expenses; custodial charges; investment-related expenses and fees, including origination, servicing, acquisition or other similar fees; interest expenses; taxes, duties and other governmental charges; transfer and registration fees or similar expenses; costs associated with foreign exchange transactions; officer and directors' fees, which may be paid to related persons of Wafra Capital Partners; travel and entertainment expenses; legal, auditing, accounting, consulting and other professional expenses; administration expenses; research expenses; and any other expenses related to the purchase, preservation, sale or transmittal of Fund assets. Fund investors may incur sales charges in connection with their subscription for Fund interests, and such sales charges may be shared with one or more affiliates of Wafra Capital Partners.

Wafra Capital Partners or an affiliate also may receive commitment, origination, acquisition, structuring, amendment, financing, monitoring and/or other fees related to or from certain investments in which one or more Funds may invest or propose to invest.

The receipt of any of the foregoing fees or compensation by Wafra Capital Partners, its related persons or affiliates, which may be material when considered individually or in the aggregate, will not reduce or offset any investment advisory fees payable by the applicable Fund or Funds.

Additional information about each Fund, as well as the fees and expenses that may be incurred by investors in such Fund, is provided in each Fund's offering materials, which potential investors are urged to consult.

ITEM 6 - Performance Fees and Side-By-Side Management

As noted in Item 5, Funds may incur a performance-based distribution or performance-based fee, subject to any applicable hurdles or “high water marks.” Such distributions and fees are made or paid, as applicable, to Wafra Capital Partners or to one or more affiliates of Wafra Capital Partners. As a result, it is possible for Wafra Capital Partners to have a greater incentive to favor a Fund that pays the Firm or an affiliate of the Firm (and indirectly the relevant investment personnel) performance-based compensation or otherwise pays higher fees, or in which personnel of the Firm or any of its affiliates have more significant investments in or economic exposure to such Fund’s underlying investments.

Additional information about each Fund, as well as the fees and expenses that may be incurred by investors in such Fund, is provided in each Fund’s offering materials, which potential investors are urged to consult.

Wafra Capital Partners has adopted and implemented policies and procedures intended to address conflicts of interest relating to its provision of advisory services to the Funds, including Funds with different fee arrangements. In addition, the Firm reviews investment decisions for the Funds periodically and has policies in place in order to ensure that Funds with substantially similar investment objectives are treated fairly and equitably and that investment opportunity allocations are made in a manner that is fair and equitable to the Funds.

ITEM 7- Types of Clients

As previously described in Item 4, the Funds are non-U.S. domiciled investment vehicles intended for non-U.S. investors. Any initial and additional subscription minimums are disclosed in the offering documents applicable to each Fund.

ITEM 8- Methods of Analysis, Investment Strategies and Risk of Loss

In providing advisory services to the Funds, and consistent with each Fund’s investment objective, Wafra Capital Partners seeks to identify investment opportunities in equipment leasing, asset-backed and other structured financial instruments or arrangements, real estate and real-estate related instruments, and/or other financing transactions, debt structures and/or leverage-oriented investments. The following is a summary of the investment strategies employed by Wafra Capital Partners in making investment decisions.

The Funds are generally suitable for investors who do not require regular current income and can accept a high degree of risk. All investment strategies used by the Firm include a risk of loss of principal, including the entirety thereof. If investors are not generally familiar with and prepared to bear such risks, they should not consider investing in the strategies used by the Firm. Investors should carefully read the offering documents

relating to a Fund and consult with their financial professionals, advisors and legal counsel. The Funds are not available for investment by persons who are U.S. citizens or U.S.-domiciled persons.

Investment Strategies – Leasing and Structured Finance

The Firm’s leasing and structured finance funds (“LSF Funds”) typically seek to provide investors with monthly returns primarily derived from investments in equipment leasing and other asset-backed or structured financing transactions. Many of these LSF Funds focus on Shari’ah compliant transactions. The LSF Funds generally construct investment portfolios with direct or indirect exposure to equipment or other assets (collectively, “Assets”). Such Assets will, in a prototypical transaction, be leased to or otherwise financed on behalf of lessees or other qualified end-users. An LSF Fund’s investment portfolio generally consists of exposure to a range of lessees or other qualified end-users or counterparties and Asset types utilizing a variety of lease and other financing structures. Certain LSF Funds specifically seek exposure to transactions with venture-funded or otherwise emerging entities. Other LSF Funds typically invest in transactions where the underlying lessees or other qualified end-users or counterparties consist of a greater percentage of companies that are generally large and well-established, or companies which are investment grade or with comparable credit quality as determined by Wafra Capital Partners. Exposure to Assets with a historically predictable residual value (due to a large secondary market or other factors) is a consideration in certain cases. LSF Funds may employ credit enhancements through structured transactions. Typical credit enhancements include advance rentals, third-party guarantees, letters of credit, co-lessees, over-collateralization and/or manufacturer support.

Investment Strategies – Real Estate

The Firm’s real estate Funds (“RE Funds”) invest in Shari’ah law-compliant closed-ended master feeder and co-investment structures in the international real estate arena. The RE Funds’ investments, which typically, though not exclusively, involve an external fund advisor that sources, services and effects the transactions, may include investments in commercial, retail, and residential properties generally in Asia and Europe or in financial instruments related to such investments.

Methods of Analysis – Leasing and Structured Finance

Wafra Capital Partners collaborates, on an ongoing basis, with various middle-market, venture/emerging and other originators or equity partners (“Originators”) that the Firm has identified as specializing in a diversified base of Assets and industry or other business sectors. Such Originators may be based in or outside of the United States. In addition, Wafra Capital Partners or an affiliate may originate one-time transactions with counterparties as sources of lease or asset-backed or structured financing volume.

The Firm monitors sector, underlying lessee/end-user/counterparty and Asset concentrations on a regular basis, and has established a due diligence process for both Originator and counterparty selection and the underlying transactions. Typically, Wafra Capital Partners interviews and visits a potential Originator or counterparty to learn about the Originator’s or counterparty’s specific focus, internal controls, internal transaction

approval/credit process and key employees. The Firm may conduct, among other reviews, background checks, personal financial checks and industry reference checks with respect to a potential Originator's or counterparty's owners, directors, officers, and/or employees. Wafra Capital Partners typically requires risk-sharing arrangements with its partnering Originators or counterparties, such as first loss personal or corporate guaranties and/or equity positions. The credit of each potential underlying lessee/end-user/counterparty is typically analyzed through financial statement reviews, and, if necessary and applicable, credit checks. Equipment leasing and other structured finance transactions generally require the review of substantial documentation at different levels by the Originator or corresponding counterparty and Wafra Capital Partners before any transactions are funded.

Methods of Analysis – Real Estate

Wafra Capital Partners or an affiliate has established strategic partnerships with local real estate advisors in the geographic regions in which the Funds' investments are focused. Wafra Capital Partners' due diligence with respect to each property advisor generally involves in-person meetings, reviews of internal compliance programs and procedures, and analysis of an advisor's track record and transaction approval procedures.

Risks – General

An investment in a Fund involves substantial risks, including, but not limited to, those described below. An investment in a Fund is speculative and involves a high degree of risk. All or most of the amount invested therein may be lost. Past performance is not indicative of future results, and there is no assurance that a Fund's investment objectives will be achieved or that Wafra Capital Partners' investment strategies will be successful. The following summary identifies the material risks related to the Firm's significant investment strategies and should be carefully evaluated before making investment with the Firm. The summary does not, however, identify all possible risks of an investment in a Fund or provide a full description of the identified risks. Potential investors are urged to carefully review a Fund's offering materials for additional information, which should be read in conjunction with this summary and the disclosures herein generally.

Conflicts of Interest: Wafra Capital Partners, as investment adviser to each of the Funds, may cause a Fund to enter into transactions or other contractual arrangements (including guarantees) with an affiliate of the Firm, another Fund, or with an entity in which related persons of the Firm (or related persons of any of the Firm's affiliates) have ownership interests or control. At times, for example, to facilitate the structuring of an investment opportunity or to otherwise facilitate a transaction for one or more Funds, certain directors or employees of the Firm may invest equity capital to fund the formation of an investment vehicle utilized in a transaction in which (or through which) a Fund may invest or participate. While investment terms are expected to vary, generally such related persons will not receive back their capital contributions and any return thereon until all terms of the investment by the Fund in connection with the applicable investment transaction have been satisfied. See also "Other Financial Risks" below.

In addition, Wafra Capital Partners and its affiliates may simultaneously operate funds with similar investment objectives. Wafra Capital Partners has established policies and

procedures designed to ensure that all transactions made on behalf of a Fund are made in the best interest of the Fund, and to ensure that investment opportunities are allocated on a fair and equitable basis.

It is also possible that a Fund or an entity owned or controlled by Wafra Capital Partners, one or more of its related persons or an affiliate of Wafra Capital Partners, may take an investment position that may be different from a position taken by another Fund. For example, one Fund may take an investment position that is structurally or otherwise senior to that taken by another Fund. If such an underlying counterparty or issuer (as the case may be) encounters financial problems, decisions over the terms of any workout may raise a conflict of interest.

Certain directors, officers and employees of Wafra Capital Partners will provide advisory services to entities other than the Funds, and will manage or otherwise be involved with other businesses and activities, including, though not limited to, WIAG, and will not devote their business time exclusively to managing and developing the Firm's investment strategies.

Certain acquisition, origination, structuring, due diligence or other fees related to an investment or a proposed investment by a Fund may be paid to Wafra Capital Partners, one or more of its related persons, or an affiliate of Wafra Capital Partners, typically by Originators, other counterparties or asset managers involved in such investment or potential investment and will not reduce or offset any investment advisory or management fee paid by the Fund. Such fees, if funded by the Fund as part of the aggregate cost of participating in the investment, will reduce the capital available for direct investment.

Volatile Market Conditions: Global financial markets and economic conditions have been, and continue to be, volatile. Significant write-offs in the financial services sector, the re-pricing of credit risk and the continuing weak economic conditions have made, and will likely continue to make, for a difficult investment environment. The current state of global financial markets and current economic conditions might adversely impact a Fund's returns.

Illiquidity Risk: A Fund's underlying investments may be illiquid and of extended duration. Although a Fund's investments may generate current income, the return of capital and the realization of gains, if any, from an investment may not occur until the partial or complete disposition of such investment, which may not occur for a number of years. Additionally, Fund investors have limited redemption rights and could be restricted from exiting a Fund for an extended period of time.

Joint Venture Risk: Funds may co-invest with third-parties through funds, joint ventures or other entities which may not be controlled by Wafra Capital Partners or its affiliates or related persons. Such investments may involve risks not present if such third-parties were not involved, such as risks of ineffective decision making, impasses on joint venture decisions, and the risk that the third-party may declare bankruptcy or otherwise fail to meet its financial commitments.

Lock-Out Period Risk: Many of the Funds are subject to lock-out periods, which typically range from 24 to 36 months. During this period, a Fund's principal may not be returned to investors. This may influence the Fund to invest in longer term investments, which may not mature during the Fund term, thus potentially delaying the return of the investment as planned. In the alternative, if some or all of a Fund's underlying investments are of shorter duration than any applicable lock-out period, the Fund may have assets that are not fully invested, and thus may not be able to provide an adequate return to the investors. The lock-out provisions relating to a particular Fund, if any, are described in that Fund's offering documents.

Exit Strategy Risk: In order to meet capital repayment obligations or targets or duration expectations, a Fund may need to sell or refinance its underlying investments. Depending on the market cycle in any given market, there may not be willing buyers or buyers willing to pay the Fund the expected value of an investment. Similarly, there may not be financiers willing or able to refinance a Fund's investment on acceptable terms. As a result, such a Fund may need to either extend its term, if permissible, or realize a substantial loss on liquidation of its investment.

Lack of Diversification: Many of the Funds are subject to Shari'ah guidelines, and all have finite amounts of capital. In addition, while some Funds, consistent with their investment objectives, strategies and restrictions, invest committed capital as investment transactions become available, other Funds, consistent with their investment objectives, strategies and restrictions, provide all or a significant portion of their available capital at or near the launch of the Fund. As a result, due to the timing of the availability of funds and the desire to make timely investments, as well as possible limitations on potential investments, a Fund's investment portfolio may not be as diverse with respect to geographic, Originator or other counterparty, Assets, industry, or other diversification factors as a portfolio that is not subject to such restrictions.

Hedging: In connection with certain Fund investments, a Fund may utilize hedging techniques designed to minimize the risks of adverse movements in interest rates, securities prices, and/or currency exchange rates. While such transactions may reduce certain risks, the hedging transactions themselves may entail other risks, such as unanticipated changes in interest rates, securities prices or currency exchange rates and may result in a poorer overall performance for the relevant Fund than if it had not entered into such hedging transactions. In addition, there may be a lack of control over the underlying investment of a Fund (or the cash flows associated with such investment) which is denominated in a currency other than the Fund's currency. This may make it difficult for the Firm to hedge any resulting exposure.

In the case of some Funds that are not denominated in the currency of the underlying investments, such Funds may enter into currency swaps or hedging transactions with respect to both the anticipated investments and the projected cash flows therefrom. However, if the actual cash flows of a Fund's underlying investments do not substantially match the hedged cash flows, a difference in exchange rates at the time of receipt of the actual cash flows may result in an unplanned loss to the Fund. While the Fund generally will seek to enter into investments with contractual cash flows that may minimize this risk, there can be no assurance that it will be successful in doing so or that it will in fact receive its contracted-for cash flows.

Currency Risk: Some of the Funds, which generally are U.S. dollar denominated investment vehicles, invest in transactions that are denominated in a different currency. In some cases these underlying transactions are not hedged. Currencies may decline in value relative to the U.S. dollar and, in the case of a hedged position, the U.S. dollar may decline relative to the currency being hedged. Currency exchange rates may fluctuate significantly over short periods of time, and a decline in the value of foreign currencies relative to the U.S. dollar will reduce the value of an investment held by a Fund and denominated in those currencies. Foreign currencies are also subject to risks caused by inflation, interest rates, budget deficits and low savings rates, political factors and government controls.

Leverage: A Fund's investment program may involve the use of leverage, which may increase the potential for loss if the value of the underlying asset drops below the associated borrowing. In addition, assets may be used to cross-collateralize debt. Such an arrangement may have an adverse impact on a more significant group of assets if the value of the relevant asset declines. Accordingly, any event that adversely affects the value of an underlying investment or asset would be magnified to the extent leverage is employed. This may result in a substantial loss, which would be greater than if leverage had not been employed.

Assignments and Participations: A Fund may invest in certain transactions directly by, for example, acquiring a transaction by means of an assignment or indirectly by means of a participation interest. Holders of participation interests may be subject to additional risks not applicable to a holder of a direct interest in a transaction, such as the additional credit risk of the counterparty, the lack of voting rights and the lack of direct enforcement rights in connection with a default under the transaction.

Other Financial Investments Risk: Pending the investment of a Fund's assets in accordance with its primary investment strategies, or in response to market or economic conditions, a Fund generally may invest all or any portion of its assets in cash and cash equivalents or other financial instruments or transactions deemed appropriate by the Firm, including real estate-related and/or asset-backed instruments or transactions and other similar investments, including investments specifically structured as Shari'ah-compliant investments, such as Murabaha transactions ("Murabahas"), which may have durations ranging from short-term to long-term. Murabaha investment transactions are not FDIC insured. The returns on such investments are often (though not always) less than the overall yield target of the investing Fund. In addition, Murabahas involve substantial counterparty risk and, as a result, the Funds (and, indirectly, Fund investors) bear the risk of default under any Murabaha arrangement. Such default risks include, but are not limited to, timing defaults (risk of extension past a certain pre-defined term), repayment risks or risk of loss of both capital and return. Some of the real estate-related and/or asset-backed instruments and other investments in which a Fund may participate, which may include investments structured as Murabaha transactions, may include investment transactions with entities managed and/or owned (in whole or in part) by related persons of Wafra Capital Partners. See also "**Risks – Real Estate**" below for a general discussion of risks associated with real-estate and/or real-estate related investments.

Fraud: In making certain investments, a Fund may rely upon the accuracy and completeness of representations made by the issuer or sponsor of such investment, but cannot guarantee the accuracy or completeness of such representations. Of concern in originating and in purchasing investments is the possibility of material misrepresentation or omission on the part of an issuer or sponsor. Such inaccuracy or incompleteness may adversely affect the valuation of any collateral underlying an investment, or may adversely affect the likelihood that a lien on the collateral securing an investment has been properly created and perfected. Instances of fraud and other deceptive practices committed by senior management of certain companies in which the strategies may invest may undermine the ability of Wafra Capital Partners to conduct effective due diligence on, or successfully exit investments made by a Fund in, such companies. In addition, financial fraud may contribute to overall market volatility, which can negatively impact a Fund's investment strategy. Under certain circumstances, payments to a Fund may be reclaimed if they are later determined to have been made with an intent to defraud creditors or make a preferential payment.

Follow-on Investments: Following an initial investment in an opportunity, a Fund may make additional investments in that opportunity, generally known as "follow-on" investments, in order to, among other things, increase or maintain in whole or in part its exposure to the opportunity or attempt to preserve or enhance the value of its investment. A Fund may elect not to make follow-on investments or may otherwise lack sufficient funds to make these investments. If a Fund (or another party) fails to make a follow-on investment, the continued viability of an opportunity may, in some circumstances, be jeopardized.

Taxation: Wafra Capital Partners is of the view that the Funds should not be subject to U.S. income taxes or withholding taxes on income received from their U.S. activities, provided that (i) the U.S. investments entered into by a Fund constitute "portfolio debt" or are otherwise eligible for an exemption from U.S. tax and (ii) a Fund does not engage in a trade or business within the U.S. If an investment does not qualify as portfolio debt or is not otherwise eligible for an exemption from U.S. tax, the U.S. source income of a Fund could be subject to a 30% withholding tax, and if a Fund were deemed to be engaged in a U.S. trade or business, the Fund would be required to file U.S. federal income tax returns, pay tax at regular corporate rates, and pay an additional thirty (30%) branch profits tax. Either or both of the aforementioned scenarios would materially and adversely impact a Fund's ability to achieve its investment objective.

Regulation: The Funds must comply with various legal requirements, including requirements imposed by the securities laws in various jurisdictions. Should any of the applicable laws change over the scheduled term of a Fund, the legal requirements to which a Fund and its investors may be subject could differ materially from current requirements and could negatively impact a Fund's ability to achieve its investment objective.

Risks – Leasing and Structured Finance

Industry Risk: The equipment leasing industry, including financial institutions which provide asset-backed financing, is highly competitive, and Wafra Capital Partners may be

unable to source appropriate or attractive investments. This may cause a LSF Fund to experience returns that are lower than anticipated, or to accept greater levels of risk.

Past Performance: There can be no assurance that the levels of delinquencies and write-offs experienced in recent years by (1) companies specializing in the origination and/or servicing of equipment leasing, venture debt, structured finance or other financing transactions or (2) Wafra Capital Partners with respect to its LSF Funds and their investments will be indicative of the performance of any particular originator, servicer or LSF Fund or that they will continue in the future. Delinquencies and write-offs could increase significantly for various reasons, including changes in the federal income tax law, changes in the local, regional or national economies, changes in technology or other events. Significant increases in the level of write-offs by these parties may result in material losses for a LSF Fund's investors.

Default Risk: LSF Funds generally rely primarily on the underlying leases or structured transactions as well as the residual value of the Assets to generate returns. A LSF Fund is subject to the risk of loss through the failure to perform or default of any of the LSF Fund's direct or indirect counterparties, including, but not limited to, master lessees, Murabaha providers, underlying lessees/end-users/counterparties and servicers. Such losses, which may not be recoverable, may include, but are not limited to, rental or other revenue; legal and other costs associated with taking enforcement action against the relevant counterparty; storing and transporting leased equipment; costs related to breaking financing arrangements, including costs associated with the early termination or restructuring of hedging arrangements and losses when selling Assets earlier than originally anticipated or otherwise at a dis-advantageous time.

Wafra Capital Partners seeks to minimize such counterparty risk through various forms of counterparty diversification and performance monitoring; however, there can be no assurance that these efforts will be successful. Wafra Capital Partners may also attempt to minimize this risk by requiring certain financial covenants with respect to a LSF Fund's dealings with such counterparties, including, but not limited to, those related to the amount of the financing and the value of the underlying collateral, and other contractual provisions with respect to each financing. Certain financings may be supported, in whole or in part, by personal guarantees made by the counterparty or a relative, or guarantees made by a company affiliated with the counterparty. The amount realizable with respect to a financing may be detrimentally affected if a guarantor fails to meet its obligations under the guarantee. Moreover, the value of collateral supporting a financing may fluctuate, and there can be no assurance that collateral will retain its value or that any value assigned by Wafra Capital Partners can be realized in a liquidation event.

Moreover, a direct or indirect counterparty's failure to satisfy financial, operating or "key man" covenants imposed by a LSF Fund or another provider of financing could trigger cross-defaults that jeopardize such counterparty's ability to make payments under financings made by a LSF Fund.

Residual Value Risk: LSF Fund performance may be affected by the market risks of residual values, over which neither the LSF Fund nor Wafra Capital Partners have control. The market value of a LSF Fund's equipment or equipment in which it may

have exposure (*e.g.*, through a security interest in such equipment) may be lower than anticipated, resulting in a loss on a LSF Fund's investment. At the time it enters into an equipment-related transaction, a LSF Fund does not know what the remarketing price of the relevant equipment will be when the transaction ends. If the remarketing price is lower than anticipated, the LSF Fund may experience a loss.

Additional Equipment-Related Risk: A LSF Fund's contracts directly or indirectly may require direct or indirect counterparties to maintain, service and insure leased equipment. If such counterparty fails to maintain equipment in accordance with the terms of the relevant contract, the LSF Fund may itself have to make unanticipated expenditures to repair the equipment. To the extent that a LSF Fund purchases, or finances the purchase of, used equipment, there is no assurance that an inspection of such equipment prior to acquisition will reveal any or all defects and problems with the equipment. A LSF Fund may incur losses associated with the investment, including legal costs, costs of repair and lost revenue from the delay in being able to sell or re-lease the equipment due to undetected problems or issues. Furthermore, certain types of equipment are subject to registration or other regulatory requirements, and a LSF Fund (or its counterparty, as the case may be) may lose the ability to own or operate that equipment should it fail to comply with such requirements. In addition to impairing the LSF Fund's (or its counterparty's, as the case may be) ability to earn rentals from that equipment, the Fund or counterparty may be subject to penalties or be forced into a sale of that equipment on unfavorable terms. Governmental agencies may require changes or improvements to equipment resulting in increased costs and loss of rental revenue while the changes are made, potentially adversely affecting the Fund's anticipated returns from that investment.

Shipping: A LSF Fund may have substantial exposure to shipping or shipping related investments. The success (or failure) of such investments may depend on, among other things, the value of the underlying vessel. Vessel values may experience high volatility and may decline significantly depending on a number of factors, including: prevailing charter rates; general economic and market conditions affecting the shipping industry; types, sizes and ages of vessels; supply of and demand for vessels; other modes of transportation; cost of new buildings; governmental or other regulations; the need to upgrade secondhand and previously owned vessels as a result of charterer requirements, technological advances in vessel design or equipment or otherwise; and competition within the shipping industry and the availability of other modes of transportation. In addition, as vessels grow older, they generally decline in value.

A LSF Fund's shipping investment may involve refinancing risk. As a result of concerns about the stability of financial markets generally and the solvency of shipping related counterparties specifically, the cost of obtaining money from the credit markets has increased as many financiers have enacted tighter lending standards, refused to refinance existing debt at all or on terms similar to current debt and reduced, and in some cases ceased, to provide funding to shipping related counterparties. If additional financing or refinancing is not available at the relevant time for a LSF Fund's shipping or shipping related investment, or is available only on unfavorable terms, a LSF Fund may experience a significant loss.

A LSF Fund's shipping investment may involve (directly or indirectly) a counterparty that has other debt. If such counterparty fails to be in compliance with certain financial

and other covenants in its relevant debt agreement(s), and is unable to remedy such breach, the relevant financing party could, among other actions, accelerate its debt and foreclose on the underlying asset. Such an action could have a material adverse effect on a LSF Fund's investment.

Deferred Purchase Obligations: A LSF Fund may acquire equipment subject to substantial deferred purchase obligations. The sole source of payment for such obligations will be collections on the various leases or other financing arrangements, and payments on such leases or other financing arrangements will go first to satisfy the installment obligations, which, if insufficient, could result in a LSF Fund losing the equipment subject to the deferred purchase obligation.

Bankruptcy, Operating Leases: In the event that a lessee or end-user of equipment files for protection under bankruptcy laws, a bankruptcy court may reject, reduce the term or alter the provisions of the operating lease with that end user. If this happens, a LSF Fund may not receive the full amount of rental payments contemplated by that lease. A LSF Fund may also experience difficulties, legal costs and delays in recovering equipment from a bankrupt lessee or end-user that is involved in a bankruptcy proceeding or has been declared bankrupt by a bankruptcy court. The sales proceeds a LSF Fund ultimately may receive from disposing of recovered equipment may not cover its outstanding investment in that equipment.

Additional Financing Risks, Generally: In recent years, a number of judicial decisions in the United States have upheld the right of borrowers to sue lending institutions on the basis of various evolving legal theories (collectively termed "lender liability"). Generally, lender liability is founded upon the premise that an institutional lender has violated a duty (whether implied or contractual) of good faith and fair dealing owed to the borrower or has assumed a degree of control over the borrower resulting in creation of a fiduciary duty owed to the borrower or its other creditors or shareholders. Because of the nature of certain potential LSF Fund investments, a LSF Fund could be subject to allegations of lender liability.

In addition, under common law principles that in some cases form the basis for lender liability claims, if a lending institution (i) intentionally takes an action that results in the undercapitalization of a borrower to the detriment of other creditors of such borrower, (ii) engages in other inequitable conduct to the detriment of such other creditors, (iii) engages in fraud with respect to, or makes misrepresentations to, such other creditors or (iv) uses its influence as a stockholder to dominate or control a borrower to the detriment of the other creditors of such borrower, a court may elect to subordinate the claim of the offending lending institution to the claims of the disadvantaged creditor or creditors, a remedy called "equitable subordination." Because of the nature of certain potential LSF Fund investments, a LSF Fund could be subject to claims from creditors of an obligor that the investments issued or otherwise entered into by such obligor that are held by a LSF Fund should be equitably subordinated.

A LSF Fund's investments may involve investments in which the LSF Fund would not be the lead creditor. It is, accordingly, possible that lender liability or equitable subordination claims affecting the LSF Fund's investments could arise without the direct involvement of the LSF Fund.

Non-U.S. Transactions: It is likely that a LSF Fund or Originator may enter into transactions with non-U.S. counterparties. In connection with such transactions, the relevant Assets may be permanently or temporarily located outside the U.S., and the relevant contracts may be governed by non-U.S. laws. These transactions involve a number of risks, including, but not limited to, the following: the LSF Fund or the Originator, as applicable, may have difficulty repossessing Assets outside the U.S.; legal costs may be more expensive outside the U.S.; foreign governments may confiscate Assets, nationalize Assets, retrospectively change laws, impose new or changed fees, duties or taxes or impose foreign exchange restrictions which hamper the ability of the Originator or the LSF Fund, as applicable, to receive payments; foreign courts may not recognize judgments obtained in U.S. courts; there may be documentary risks where contracts are written in a language other than English; complications may arise from interpretations of tax or legal codes and any regulatory registration requirements; and changes in, or interpretations of, foreign laws and regulations may adversely affect the ability of the LSF Fund or the Originator, as applicable, to enter into leases or other financings, sell Assets or repatriate profits. Furthermore, certain non-U.S. jurisdictions may be more prone to corruption, unsavory business practices, conflict, sanctions or civil unrest. All of these risks may impair the ability of the LSF Fund or the Originator, as applicable, to receive amounts due or to remarket Assets, as applicable, in a satisfactory manner.

Emerging-Growth and Expansion-Stage Companies: A LSF Fund's investment portfolio may have a substantial exposure to venture-capital funded, emerging-growth and/or expansion-stage privately-owned businesses, which may have relatively limited operating histories. Compared to larger established or publicly-owned firms, these companies may be more vulnerable to economic downturns, may have more limited access to capital and higher funding costs, may have a weaker financial position, and may need more capital to expand or compete. These businesses also may experience substantial variations in operating results. They may face intense competition, including from companies with greater financial, managerial, technical and marketing resources. Companies with new products or services could sustain significant losses if projected markets do not materialize. Furthermore, some of these companies do business in regulated industries and could be affected by changes in government regulation. Such companies may have, or may develop, only a regional market for products or services and may be adversely affected by purely local events. Accordingly, these factors could impair their cash flow or result in other events, such as bankruptcy, which may adversely affect the return on, or the recovery of, a Fund's investment in such businesses.

Technology-Related Companies: A LSF Fund's investment portfolio may have a substantial exposure to technology-related companies, many of which have narrow product lines and small market shares, which tend to render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns. The revenues, income (or losses) and valuations of technology-related companies can and often do fluctuate suddenly and dramatically. In addition, technology-related markets are generally characterized by abrupt business cycles and intense competition.

Additional Exposures—Fixed Income: A LSF Fund's investment portfolio may have substantial direct or indirect exposure to fixed income securities and other like

instruments (*e.g.*, indirectly in connection with a Murabaha transaction). Fixed income securities and other like instruments are obligations of an issuer or obligor to make payments of principal and/or interest on future dates, and include, among other securities and instruments: bank debt; loans, bonds (including “junk bonds”), notes, and debentures issued by corporations; debt securities issued or guaranteed by the U.S. government or one of its agencies or instrumentalities or by a non-U.S. government or one of its agencies or instrumentalities; municipal securities; and mortgage-backed and asset-backed securities. These securities and instruments may pay fixed, variable, or floating rates of interest, and may include zero coupon obligations. Fixed-income securities and instruments are subject to the risk of the issuer’s, obligor’s or a guarantor’s inability to meet principal and interest payments on its obligations (*i.e.*, credit risk) and are subject to price volatility due to factors such as interest rate sensitivity, market perception of the creditworthiness of the issuer/obligor, and general market liquidity (*i.e.*, market risk). Fixed income investments may be subject to early redemption features, refinancing options, pre-payment options or similar provisions which, in each case, could result in the issuer/obligor repaying the principal on an obligation earlier than expected. This may happen when there is a decline in interest rates or when a borrower’s performance allows the refinancing of certain classes of debt with lower cost debt. Fixed income securities with longer maturities tend to be more sensitive to interest rate movements than those with shorter maturities. There may not be a liquid market for any of the debt instruments in which a LSF Fund has direct or indirect exposure, which may negatively impact a LSF Fund’s performance.

Additional Exposures—Equities: A LSF Fund’s investment portfolio may have substantial direct or indirect exposure to equity and equity-related securities and instruments, such as convertible securities and warrants (*e.g.*, such instruments may serve as collateral and/or an expected source of repayment upon disposition for a financing provided by a LSF Fund). The value of equity securities and related instruments varies in response to many factors. Factors specific to an issuer, such as certain decisions by management, lower demand for its products or services, or even the loss of a key executive, could result in a decrease in the value of the issuer’s securities. Factors specific to the industry in which the issuer participates, such as increased competition or costs of production or consumer or investor perception, can have a similar effect. The value of an issuer’s stock can also be adversely affected by changes in financial markets generally, such as an increase in interest rates or a decrease in consumer confidence, that are unrelated to the issuer itself or its industry. In addition, certain options and other equity-related instruments may be subject to additional risks, including liquidity risk, counterparty credit risk, legal risk, and operations risk, and may involve significant economic leverage and, in some cases, be subject to significant risks of loss. These factors and others can cause significant fluctuations in the prices of these securities and instruments and can result in significant losses.

Risks – Real Estate

Industry Risk: RE Funds are subject to certain risks associated with the ownership of real estate-related assets and the real estate industry in general. A RE Fund’s performance or underlying value may be adversely affected by changes in economic or market conditions, compliance with environmental and zoning laws, litigation, increases in

financing costs and property taxes, availability of financing, overbuilding, tenancy and vacancy issues, construction delays, cost overruns, limited insurance coverage for losses, market competition and other factors that neither the RE Fund nor the Firm can control.

Recessionary Environment Risk: Real estate has historically experienced substantial fluctuations and cycles in value and market conditions which may cause reductions in the value of real property interests. All real estate-related investments are subject to the risk that a general downturn in the relevant national and/or local economy will depress real estate prices. Economic events and circumstances in recent years have adversely affected, and may continue to adversely affect, real estate-related investments. Such events and circumstances include: a significant decline in the value of real estate and securities associated with real estate, which decline may continue for a prolonged period and result in a highly volatile and uncertain business environment for investors in real estate and real estate-related securities; limited credit availability; limited confidence in the financial sector; and less business activity. Wafra Capital Partners may not be able to timely anticipate or manage these and other risks, contingencies or developments relating to a recessionary environment.

Renovation, Expansion or Development Risk: To the extent that a RE Fund's investments relate to the renovation, expansion and/or development of real estate, the RE Fund will be exposed to particular risks associated with such properties, including the risks that favorable financing terms may not be available, construction may not be completed on a timely basis, to the agreed specification or within budget (thereby causing increases in debt-related expenses, construction costs, leasing delays and cash flow generation delays). Although construction contracts may require construction contractors to pay liquidated damages, a RE Fund will be exposed to the risk that certain losses may not be covered by such provisions, and the risk that the contractor's business may fail.

In addition, renovation, expansion and/or development activities may involve risks relating to the inability to obtain (or delays in obtaining) requisite zoning, land use, occupancy, land use and other governmental permits and/or authorizations, and, upon completion, the properties may perform below anticipated levels. To the extent that any renovation, expansion or development activities are financed through construction loans, there is a risk that, upon completion of construction, permanent financing may not be available on advantageous terms or at all.

Concentration Risk: Geographic concentration of a RE Fund's real-estate or real-estate related investments may increase the risk that adverse economic or other developments or natural or man-made disasters affecting a particular region of a country could increase the frequency and severity of losses. Other regional factors—*e.g.*, earthquakes, floods, hurricanes, changes in governmental rules or fiscal policies or terrorist acts—also may adversely affect a RE Fund's investments.

Environmental Risks: A RE Fund's operations are subject to numerous statutes, rules and regulations relating to environmental protection ("Environmental Regulation"). Such Environmental Regulation subject current or previous owners or operators of real property to potential liability, including liability for the costs of investigation, monitoring, removal or remediation of hazardous materials, and changes in Environmental Regulation or in the environmental condition of a Fund's investments may create liabilities that did

not exist at the time of acquisition of the investment, and that could not have been foreseen. The presence of hazardous materials on a property could also result in personal injury, property damage or similar claims by private parties. Furthermore, a Fund's investments may be located in earthquake zones or be subject to risks associated with other natural disasters.

ITEM 9- Disciplinary Information

Not applicable.

ITEM 10 - Other Financial Industry Activities and Affiliations

Certain management persons of Wafra Capital Partners or WIAG are registered representatives of a registered broker-dealer, Wafra Securities Corporation, a member of the Financial Industry Regulatory Authority, Inc.

Wafra InterVest Corporation and Wafra Capital Partners, L.P., non-U.S. affiliates of Wafra Capital Partners, provide to, together with certain of their affiliates, from time to time, Wafra Capital Partners, its affiliates and Funds services outside of the United States, which may include advisory, management, business consulting, strategic planning, placement or similar services, as well as administration services and other services, which may be considered material to Wafra Capital Partners' business or the Funds.

The respective relationships with respect to, and services provided (if any) to, Wafra Capital Partners and/or any Fund are disclosed to potential Fund investors and are described in the relevant offering documents. To the extent that any of the Firm's related persons receive fees either from the Firm or a Fund as compensation for its or their services to the Firm or the Fund, as applicable, such compensation arrangements are generally in writing and disclosed in the relevant agreements and/or offering documents. Agreements may provide that a portion of fees otherwise payable to Wafra Capital Partners will be paid or allocated to such affiliated entities. To the extent that a Fund directly engages an affiliate to perform non-advisory services for the Fund, any fees associated with such services will be separate from, and in addition to, the advisory fees paid to Wafra Capital Partners. Please see also Item 5 above, which includes important information and disclosures regarding fees and other compensation.

Wafra Capital Partners, and/or any affiliate, officer, director and/or employee of Wafra Capital Partners or WIAG (together, the "Wafra Owners") own(s) financial interests in one or more companies or entities with which a Fund may enter into business transactions in seeking to achieve its investment objective. In the event that a Fund transacts with such a company or entity, the Firm negotiates the transaction terms on behalf of the Fund. A conflict of interest may exist with respect to such negotiations, as the Wafra Owners would benefit from the counterparty company or entity receiving favorable terms, which could be at the expense of the Fund. The Firm has adopted policies and procedures designed to ensure that, based on all of the factors and circumstances involved, the terms of such transactions are equitable to the Funds. Nevertheless, such transactional and/or financial terms may not be derived through "arm's-length" negotiations; no assurance can

be provided that the consideration and/or other financial benefits that the Wafra Owners receive due to their role on either side of such transactions is comparable to the consideration and/or other financial benefits that other parties in similar situations would receive.

Please see also “Conflicts of Interest” in Item 8 for information about investments made by related persons of the Firm in investment opportunities in which the Funds may participate.

ITEM 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Wafra Capital Partners has adopted a code of ethics (the “Code”) as required by Rule 204A-1 under the Advisers Act. The Code also reflects the Firm’s standards for the conduct of its business and for the performance of the Firm’s duties to Funds. All officers, directors, partners and employees of Wafra Capital Partners and any other person who provides advice on behalf of Wafra Capital Partners and is subject to the Firm’s control and supervision (referred to as “Supervised Persons”) are required to adhere to the Code, and to conduct themselves at all times in compliance with the following standards:

- The Firm has a strict policy of complying with all applicable laws, rules and regulations, including but not limited to federal securities laws; the Foreign Corrupt Practices Act of 1977, and applicable laws of foreign jurisdictions;
- As a fiduciary to the Funds, it is the Firm’s policy to act in the interests of the Funds and adhere to the highest ethical standards in its dealing with the Funds; and
- The Firm and its Supervised Persons will deal with the Funds in the utmost good faith and will disclose all material facts relating to the advisory relationship.

Wafra Capital Partners has appointed a Chief Compliance Officer (the “CCO”) to administer the Code and Wafra Capital Partners’ compliance program. Supervised Persons must be alert for any potential conflicts of interest between Wafra Capital Partners’ interests and the interests of each Fund, and for any improper activity on the part of other Supervised Persons, and promptly report any violations to the CCO or Chief Legal Officer (the “CLO”). Supervised Persons must give prior notice of, and under certain circumstances receive written approval for, certain outside activities in which they wish to engage. This includes outside business interests, receipt of gifts beyond nominal value, personal trading of securities, and maintenance of personal brokerage accounts.

Wafra Capital Partners and its related persons have a material financial interest with respect to fees paid by the Funds and investments made for or on behalf of the Funds. As discussed above, a Fund may transact with companies or other entities in which the Wafra Owners hold financial interests. These and other factors could create an incentive for the Firm to make investment decisions that are different from those that would be made in the absence of such interests and arrangements. The offering documents relating to each Fund, which are provided to investors prior to their making an investment, provide clear disclosure about these investments and conflicts of interest.

Items 5, 6 and 10 include important information regarding, and disclosures about, the Firm's and its related persons' and affiliates' participation or interests in Fund transactions and agreements. The Firm does not regularly engage in principal, agency cross or similar transactions with respect to the Funds. Nevertheless, the Firm is aware of the potential conflicts of interest created by principal and cross trades. To the extent that the Firm ever engages in a principal transaction or agency cross trade with respect to a Fund, it has established a policy against self-dealing in order to prevent "dumping" of unwanted securities into Fund accounts and placing earning additional compensation ahead of a Fund's interests. Any employee who plans to arrange a principal or agency cross transaction for or with a Fund must promptly notify the CCO and CLO and include a description of the proposed transaction. No principal or agency cross transaction may be effected without the prior written approval of those individuals. To the extent the Firm does engage in such transactions, it will do so in compliance with Section 206(3) of the Advisers Act.

The Firm has adopted policies designed to prevent insider trading activities. The policies restrict or otherwise address certain practices and activities of Supervised Persons, including trading activities for or on behalf of a Supervised Person's immediate family members.

Under the Code and compliance program all employees are designated as either "Access Persons" or "Non-Access Persons." Access Persons generally include any Supervised Persons who (i) have access to nonpublic information regarding any investment with respect to a Fund; (ii) are involved in making investment decisions or recommendations regarding a Fund; or (iii) have access to such decisions or recommendations that are nonpublic. Access Persons must generally seek and receive approval from the Firm prior to purchasing or selling any security for their personal accounts other than: (i) those in any individual trade or aggregation of a series of trades with respect to the same company's securities within a five business days period, which is less than or equal to \$15,000 (ii) direct obligations of the U.S. government, (iii) bankers' acceptances, bank certificates of deposit, commercial paper and high-quality short-term debt instruments, including repurchase agreements, (iv) shares issued by money market funds, (v) shares issued by open-end funds (which includes funds such as exchange-traded funds ("ETFs") other than the Funds or any pooled investment vehicle whose investment adviser or principal underwriter is controlled by, or is under common control with, the Firm (such pooled investment vehicles, "Reportable Funds"), and (vi) shares issued by unit investment trusts that are invested exclusively in one or more open-end funds, none of which are Reportable Funds. For Non-Access Persons, and certain Access Persons exempted by the Firm, advance approval for the trading of securities is not necessarily required. However, all transactions in securities (except those noted above) occurring in all employees' accounts are regularly monitored and reviewed.

Access and Non-Access Persons are required to submit reports detailing their personal securities holdings of reportable securities as defined in the Code on an initial basis and an annual basis and to report transactions quarterly typically through submitting brokerage account statements and trade confirmations.

If you would like a copy of Wafra Capital Partners' Code of Ethics, please forward your written request via facsimile at (212) 813-9488 or to:

Attn: Chief Compliance Officer
Wafra Capital Partners Inc.
345 Park Avenue, 41st Floor
New York, New York, 10154

ITEM 12 - Brokerage Practices

Not applicable.

ITEM 13 - Review of Accounts

Under the supervision of the Firm's Chief Investment Officer, investment personnel at Wafra Capital Partners review and evaluate accounts to ensure compliance with each Fund's investment objectives, policies and restrictions. Additionally, accounts are periodically reviewed for asset diversification, other requirements and performance. These reviews are conducted on a regular basis.

In addition to ongoing informal monitoring and reviewing of accounts, members of Wafra Capital Partners also meet regularly and on an as-needed basis to review new transaction prospects and to discuss current holdings to the extent there is recent or new news or factors requiring assessment.

Wafra Capital Partners' Funds' investors or their representatives receive written reports from the Funds pursuant to the terms of each Fund's offering memorandum or as otherwise described in the applicable offering documents.

ITEM 14 - Client Referrals and Other Compensation

Not applicable.

ITEM 15- Custody

Not applicable.

ITEM 16 - Investment Discretion

Terms with respect to the Funds are set out in the relevant offering documents.

ITEM 17- Voting Client Securities

Not applicable.

ITEM 18- Financial Information

Not applicable.