

PART 2A OF FORM ADV: FIRM BROCHURE



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This Brochure provides information about the qualifications and business practices of Private Advisors, LLC (“Private Advisors”). If you have any questions about the contents of this Brochure, please contact James Shannon at (804) 289-6000 or by email at jshannon@privateadvisors.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority and references in this Brochure to Private Advisors as a “registered investment adviser” are not intended to imply a certain level of skill or training.

Additional information about Private Advisors also is available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 2 – MATERIAL CHANGES

Private Advisors is updating its Brochure as of March 31, 2014, as part of its annual amendment. Private Advisors is updating the following in its Brochure as part of its annual amendment dated as of March 31, 2014, to: (i) reflect the addition of Private Advisors Small Company Private Equity Fund VI, LP as a new Advisory Client; (ii) remove The Hedged Strategies Fund LLC as an Advisory Client (ii) reflect the updated amount of regulatory assets under management as of February 28, 2014; (iii) reflect the addition of direct investment hedge funds as new Advisory Clients; and (iv) make certain clarifying additions.

Private Advisors last updated its Brochure as of December 9, 2013, to reflect that Michael Fuller was no longer associated with the firm, and his name was removed from Item 10.B and Item 13.A.

Private Advisors previously updated its Brochure on September 17, 2013, to reflect changes in the following Items: (i) a change in the address for its principal office and place of business; (ii) to remove The Hedged Strategies Master Fund, The Hedged Strategies Fund (QP), LP and The Hedged Strategies Fund, LP as Advisory Clients in Item 4.A; (iii) to reflect the addition of The Hedged Strategies Fund LLC and Private Advisors Small Company Buyout V-ERISA Fund, LP as new Advisory Clients in Item 4.A and in Item 10.C; (iv) to reflect that Louis W. Moelchert, Jr. is no longer a member of the Board of Directors of Riverfront Investment Group, LLC, in Item 10.C; (v) to update the list of management persons registered as associated persons with the NFA in Item 10.B; (vi) to update disclosures relating to Private Advisors' solicitation arrangements in Item 14.B; and (vii) to update the list of qualified custodians in Item 15.

Private Advisors updated Item 7 of its Brochure on April 9, 2013, to reflect the addition of a disclosure pursuant to Section 408(b)(2) under ERISA.

Previously, Private Advisors had updated its brochure as of March 28, 2013, as part of its annual amendment.

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ITEM 4 – ADVISORY BUSINESS

A. General Description of Advisory Firm

Private Advisors is a Delaware limited liability company that commenced operations in January 1997, became an SEC-registered investment adviser on July 6, 1998, and became registered with the Commodity Futures Trading Commission (“CFTC”) as a commodity pool operator on July 24, 1998. On December 30, 2010, Private Advisors entered into a strategic alliance with New York Life Investments, a wholly owned subsidiary of New York Life Insurance Company. The Principal owner of Private Advisors is New York Life Insurance Company (“NYL”), which owns a substantial portion of Private Advisors through New York Life Investment Management Holdings, LLC (“NYLIM”), an intermediate subsidiary of NYL. On September 30, 2012, Private Advisors acquired the investment advisory business of Cuyahoga Capital Partners LLC, an Ohio-based investment adviser which provides investment advisory services to private equity funds-of-funds and managed accounts in both the primary and secondary markets.

B. Description of Advisory Services

Private Advisors’ principal activity is providing institutional investors and high net worth clients with professional management of hedge fund and private equity investments, principally via funds-of-funds, including numerous U.S.-domiciled limited partnerships and Cayman-domiciled corporations (each a “Fund” and together the “Funds”), and in some instances using a traditional master/feeder structure. Private Advisors may recommend investment allocations to private investment funds (“Portfolio Funds”) managed by unaffiliated investment managers (“Portfolio Managers”). Following is a list of the hedge fund and private equity Funds which employ the fund-of-funds strategy (the “Funds-of-Funds”):

- 1) Private Advisors Alternative Asset Fund LLC
- 2) Alternative Fund LV, LLC
- 3) Alternative Fund LV II, LLC
- 4) Private Advisors Stable Value ERISA Fund, Ltd.
- 5) Private Advisors Stable Value Master Fund, Ltd.
- 6) Private Advisors Stable Value Fund, Ltd.
- 7) PA Stable Value Fund, Ltd.
- 8) Private Advisors Hedged Equity Master Fund
- 9) Private Advisors Hedged Equity Fund (QP), LP
- 10) PA Hedged Equity Fund, LP
- 11) Private Advisors Hedged Equity Master Fund, Ltd.
- 12) Private Advisors Hedged Equity Fund (QP), Ltd.
- 13) Private Advisors Hedged Equity Fund, Ltd.
- 14) Private Advisors Income Fund, LP
- 15) Private Advisors Distressed Opportunities Fund, LP
- 16) The Hedged Strategies Fund (QP), Ltd.
- 17) Private Advisors Private Equity Fund, LP
- 18) Private Advisors Small Company Buyout Fund, LP
- 19) Private Advisors Alternative Small Company Buyout Fund, LP
- 20) Private Advisors Small Company Buyout Fund II, LP
- 21) Private Advisors Small Company Buyout Fund III, LP
- 22) Private Advisors Small Company Buyout Fund IV, LP
- 23) Private Advisors Small Company Buyout Fund V, LP

- 24) Private Advisors Small Company Buyout Fund V- ERISA Fund, LP
- 25) Private Advisors Small Company Private Equity Fund VI, LP
- 26) Cuyahoga Capital Partners I, L.P.
- 27) Cuyahoga Capital Partners II LP
- 28) Cuyahoga Capital Partners III LP
- 29) Cuyahoga Capital Partners IV LP
- 30) Cuyahoga Capital Emerging Buyout Partners LP

The following Funds invest in a diversified portfolio of coinvestment opportunities whereby the Fund invests alongside a sponsor who leads all aspects of the transaction including due diligence, structuring, value creation, monitoring and exit strategy:

- 1) Private Advisors Coinvestment Fund, LP
- 2) Private Advisors Coinvestment Fund II, LP
- 3) Private Advisors Coinvestment Fund III, LP

The following fund is co-managed with MCF Capital Management, an affiliate of Private Advisors. The fund invests primarily in mezzanine debt securities (fixed rate or floating rate) and associated equity, types of preferred stock, other mezzanine securities and in the senior debt, common stock or other debt or equity securities of a portfolio company:

- 1) Montpelier Fund, LP

Private Advisors also serves as a sub-adviser to the following registered investment companies (the “RICs”):

- 1) Private Advisors Alternative Strategies Master Fund (the “Master RIC”)
- 2) Private Advisors Alternative Strategies Fund (the “Feeder RIC”)

New York Life Investment Management LLC, an affiliate of Private Advisors, serves as the RIC’s investment manager.

Private Advisors also provides discretionary investment advisory services to the following direct investment hedge funds (collectively, the “Direct Investment Funds”):

- 1) Undiscovered Value Master Fund SPC (a Cayman Segregated Portfolio Company) (the “Master UVF”)
- 2) Undiscovered Value Fund, LP (the “Onshore UVF”)
- 3) Undiscovered Value Fund, Ltd. (the “Offshore UVF”)

In addition, Private Advisors provides discretionary investment advisory services to separately managed accounts (the “Managed Accounts,” and together with the Funds, the RICs and the Direct Investment Funds, the “Advisory Clients”).

Private Advisors serves as General Partner to several Funds which are organized as Delaware limited partnerships, and serves as Investment Manager to certain Funds which are organized as Cayman corporations. Affiliates of Private Advisors also serve as General Partner to certain Funds, including: PAPEF GP, LLC, which serves as General Partner to Private Advisors Private Equity Fund, LP; PASCBF III GP, LLC, which serves as General Partner to Private Advisors Small Company Buyout Fund III, LP; PASCBF IV GP, LLC, which serves as General Partner to Private Advisors Small Company Buyout Fund

IV, LP; PASCBF V GP, LLC, which serves as General Partner to Private Advisors Small Company Buyout Fund V, LP and Private Advisors Small Company Buyout Fund V- ERISA Fund, LP; PASCPEF VI GP, LLC, which serves as General Partner to Private Advisors Small Company Private Equity Fund VI, LP; PACIF GP, LLC, which serves as General Partner to Private Advisors Coinvestment Fund, LP; PACIF II GP, LLC, which serves as General Partner to Private Advisors Coinvestment Fund II, LP; PACIF III GP, LLC, which serves as General Partner to Private Advisors Coinvestment Fund III, LP; Cuyahoga Capital Partners I Management Group, LLC, which serves as General Partner to Cuyahoga Capital Partners I, LP; Cuyahoga Capital Partners II Management Group LLC, which serves as General Partner to Cuyahoga Capital Partners II LP; Cuyahoga Capital Partners III Management Group LLC, which serves as General Partner to Cuyahoga Capital Partners III LP; Cuyahoga Capital Partners IV Management Group LLC, which serves as General Partner to Cuyahoga Capital Partners IV LP; and Cuyahoga Capital Emerging Buyout Partners Management Group LLC, which serves as General Partner to Cuyahoga Capital Emerging Buyout Partners LP.; Montpelier GP, LLC, which serves as General Partner to Montpelier Fund, LP.; and UVF GP, LLC, which serves as General Partner to the Undiscovered Value Fund, LP. Additional affiliates of Private Advisors serve as special limited partners and special general partners to these Funds for various tax or legal reasons.

Private Advisors provides investment advisory services to the hedge and private equity Funds using a fund-of-funds structure and employing a wide variety of investment strategies. More specifically, Private Advisors invests the assets of the Funds primarily in underlying Portfolio Funds managed by unaffiliated Portfolio Managers with a range of investment strategies, including buyout, venture capital, low-volatility multi-strategy, long/short equity, arbitrage, and distressed debt. Such Portfolio Funds typically include limited partnerships, limited liability corporations, offshore corporations or other commingled investment vehicles. Private Advisors attempts to select Portfolio Managers and Portfolio Funds which offer a variety of different skills in an effort to provide for preservation of capital while maximizing opportunities for growth and to achieve complimentary diversification by style and strategy.

Funds employing the coinvestment strategy primarily engage in investment opportunities alongside a sponsor who leads all aspects of the transaction including due diligence, structuring, value creation, monitoring and exit strategy. These coinvestment Funds will likely have a concentration in lower middle market companies consistent with Private Advisors' private equity fund of funds strategy, and will consider buyouts, growth equity/minority transactions, distressed situations and other appealing risk/return opportunities where Private Advisors has conviction in the underlying investment thesis and a relationship with, and significant confidence in, the sponsoring Portfolio Manager.

The Montpelier Fund, LP is co-managed by MCF Capital Management LLC ("MCF") and Private Advisors, LLC, both affiliates of New York Life Investment Management, LLC and registered investment advisers. The Montpelier Fund, LP invests primarily in mezzanine debt securities (fixed rate or floating rate) and associated equity, types of preferred stock, other mezzanine securities and in the senior debt, common stock or other debt or equity securities of a portfolio company. The Partnership will leverage MCF's extensive network of private equity fund managers and other private capital providers that have been developed via the senior lending organization of its parent company, Madison Capital Funding LLC. The Partnership will also leverage Private Advisors' extensive network of private equity and hedge fund relationships developed across multiple product lines. The Partnership intends to invest in appealing business opportunities, with a substantial portion of capital coinvested alongside private capital sponsors respected by MCF and Private Advisors. The Partnership will pursue its objective by targeting a broad array of investment opportunities with a likely concentration in lower middle market and middle market companies.

Further, Private Advisors also provides investment advisory services to direct investment hedge funds.

The Onshore UVF and the Offshore UVF invest substantially all of their assets in the Master UVF. Private Advisors then invests the assets of the Master UVF through individual portfolio managers as well as directly acting as a portfolio manager for a portion of the fund (together, the “UVF Portfolio Managers”). Generally, the primary investment strategy employed by the UVF Portfolio Managers who receive an allocation will be long and short equity investing driven by fundamental, bottom-up research.

C. Availability of Customized Services for Individual Clients

Private Advisors neither tailors its advisory services to the individual needs of Fund investors (“Investors”), nor accepts Investor-imposed investment restrictions. When deemed appropriate for a large or strategic client, Private Advisors has established Managed Accounts, which (i) tailor their investment objectives to specific requests of the Managed Account client (as documented in an investment advisory agreement) and/or (ii) are subject to different terms and fees than those of the Funds. Such Managed Account investment objectives, fee arrangements and terms are individually negotiated, and it should be noted that any such Managed Account relationships are generally subject to significant account minimums. Similarly, the investment advisory services Private Advisors provides to the RICs, as a sub-adviser, are subject to the policies and restrictions adopted by the RICs’ Board of Trustees.

It should be noted that Private Advisors has entered into side letter agreements with certain Investors granting them, among other things, greater portfolio transparency, fee waivers or reductions, interests/shares having different voting rights or restrictions, additional rights to reports and other information and other more favorable investment terms, including withdrawal/redemption rights, than the terms associated with investments by other Investors. Private Advisors shall have no obligation to offer such additional rights, terms or conditions to all Investors.

Private Advisors generally has broad and flexible investment authority with respect to its Advisory Clients.

D. Wrap Fee Programs

Private Advisors does not participate in wrap fee programs.

E. Assets Under Management

As of February 28, 2014, Private Advisors manages approximately \$3.592 billion of Advisory Client assets on a discretionary basis and approximately \$1.828 billion of Advisory Client assets on a non-discretionary basis.

ITEM 5 – FEES AND COMPENSATION

A. Advisory Fees and Compensation

Private Advisors typically charges fees that are based upon a set percentage of assets under management and performance. Set forth below is a summary of the fees payable by Investors in the Funds.

Hedge Fund of Funds

For Funds employing the hedge fund of funds strategy, the basic advisory or management fee typically ranges from 1% to 1½% per year of assets for which advice and consultation is provided.

Consistent with the Investment Advisers Act of 1940, as amended ("Advisers Act") and, as applicable, Rule 205-3 thereunder, Private Advisors or an affiliate may also receive performance allocations or performance fees from certain Advisory Clients generally based upon net profits allocable to each Fund Investor. The performance allocation/fee payable to Private Advisors is typically 5% of the net profits allocable to a particular Fund Investor, subject to the given Fund's loss carryforward provision.

Private Equity Fund of Funds and Coinvestment Funds

Funds employing a private equity fund of funds strategy typically charge management fees ranging from 0.00% to 1.75%. In some cases, the management fee decreases in the later years of the fund. Please see the relevant private offering memorandum for more information.

Certain of the Funds may pay carried interest to affiliates of Private Advisors, in addition to the management fees described above. The available distribution of the portfolio proceeds realized from the funds' investments are generally made first to return limited partner's capital contributions, and in some cases, then to provide a priority return to the limited partners. Some funds then may pay out 5-10% of the total amount distributed to affiliates of Private Advisors. Generally, 90-95% is then paid out to the limited partners in proportion to their capital contributions and 5-10% to affiliates of Private Advisors. Please see the relevant private offering memorandum for more information.

Montpelier Fund

The Montpelier Fund typically charges management fees of 1.5% per annum. In addition, the available distribution of the portfolio proceeds realized from the fund's investments are generally made first to return limited partner's capital contribution and then to provide an 8% priority return to limited partners. Then 20% of the total amount distributed is paid out to an affiliate of Private Advisors and MCF Capital Management, LLC. Then, generally, 80% of the remaining available distribution is paid out to the limited partners in proportion to their capital contributions and 20% to an affiliate of Private Advisors and MCF Capital Management, LLC. Please see the private offering memorandum for more information.

Registered Investment Companies (RICs)

The RICs charge a monthly management fee of 0.0917% (1.10% annualized). Investments in the RICs are also subject to a maximum sales charge of up to 3%.

Direct Investment Funds

Direct Investment Funds will pay a management fee of 0.50% per annum for investors holding Regular Interests; a lower management fee of 0.25% per annum is paid by investors holding Founder Interests. Such fees are paid on a quarterly basis regardless of the profitability of the Direct Investment Funds' operations. The Master UVF will typically pay the individual UVF Portfolio Managers a weighted average management fee of approximately 1% per annum. It should be noted that Private Advisors will negotiate management fees with each UVF Portfolio Manager, and if Private Advisors' own portfolio management team directly manages any assets, no additional management fees will be payable.

With respect to the Direct Investment Funds, an incentive allocation of 10% based on the appreciation in the value of the investor's capital account ("New Appreciation") will be paid by investors holding Regular Interests; an incentive fee of 5% is paid by investors holding Founder Interests. The Master UVF will typically pay the individual UVF Portfolio Managers approximately a 10% performance fee, on average. It should be noted that Private Advisors will negotiate incentive fees with each UVF Portfolio Manager, and if Private Advisors' own portfolio management team directly manages any assets, no additional incentive fees will be payable. "New appreciation," in general, equals the amount, if any, by which the net value of such capital account as of the close of the period (including income and realized and unrealized gains) exceeds the highest such net asset value of such capital account, also called a "new high water mark."

It should be noted that Private Advisors has, upon request, provided certain larger or strategic Investors and other Advisory Clients with lower management fees and/or performance fees as subject to side-letter or other agreements. Private Advisors reserves the right to enter into similar arrangements in the future. In addition, investments in the Funds made by Private Advisors, its employees or related persons are not typically subject to the fees described above.

It is critical that Investors and Managed Account clients refer to the relevant private placement memorandum, investment management agreement, and/or other governing documents for a complete understanding of how Private Advisors is compensated for its investment advisory services. The information contained herein is a summary only and is qualified in its entirety by such documents.

B. Payment of Fees

With respect to the Funds, Private Advisors deducts fees from Investors' assets. Fund Investors do not have the ability to choose to be billed directly for fees incurred.

Deductions for management fees are generally applied quarterly in advance, although certain Funds calculate and deduct fees semi-annually in advance.

Performance allocations/fees for hedge Funds are typically calculated and payable on an annual basis following the close of the given Fund's fiscal year, subject to applicable loss carryforward provisions. Performance allocations for private equity Funds are typically calculated at the end of the life-cycle of the given Fund and are generally applied after a preferred return is realized.

For the Direct Investment Funds, the incentive allocation is computed and charged separately with respect to each Investor in the funds and is not affected by the profit or loss received by any other Investor. It should be noted that Private Advisors will negotiate incentive fees with each UVF Portfolio Manager.

C. Additional Fees and Expenses

Expenses paid by the hedge and private equity Funds may include ongoing expenses related to the operation and administration of the Fund, including, without limitation, legal fees, marketing expenses (including travel expenses and the cost of marketing material), premiums for errors and omissions insurance, fidelity insurance and officers and directors liability insurance, fees payable to a third party administrator, NAV calculation agent, auditing and accounting expenses and other professional fees, regulatory and compliance fees and expenses, monthly reporting and bookkeeping expenses (including software license fees for investor reporting and related services, allocated among each of the Funds for which Private Advisors serves as general partner or investment manager based upon Private Advisors' best judgment, taking into account the assets of each Fund as a percentage of total assets under management), due diligence costs (including travel expenses) related to Portfolio Manager selection and ongoing monitoring and operational due diligence with respect to existing Portfolio Managers, interest expense associated with any borrowing by a Fund under a line of credit or similar facility and its pro rata share of the expenses of each Portfolio Fund in which it invests, including commissions, interest expense, custodial fees and other trading expenses, general overhead and administrative expenses and compensation to the general partner or investment manager, as applicable, of the Portfolio Fund. Private Advisors, in its discretion, may elect to obtain any of the foregoing services for the benefit of a Fund from third party vendors, or may provide such services itself utilizing its own employees, partners and officers. Most of the Portfolio Funds in which the Funds invest provide for the payment of both base management fees and incentive fees. Ordinarily, the net gain or net loss allocated to a Fund by each Portfolio Fund is net of the given Fund's pro rata share of the expenses related to the particular Portfolio Fund investment.

Certain Funds invest substantially all of their assets in a master fund through a "master-feeder" structure. Each feeder Fund will indirectly bear the administrative and other expenses of the Master Fund pro rata based on its interest in the Master Fund.

Investors and Advisory Clients may incur brokerage and other transaction costs. Please see Item 12 below for disclosure related to Private Advisors' brokerage practices.

In addition to the above expenses paid by hedge Funds, the expenses for the Direct Investment Funds may also include performance compensation and management fees paid to each Portfolio Manager and any fees and expenses payable by the Master UVF with respect to the Onshore UVF or the Offshore UVF.

In addition to annual RIC operating expenses, Investors in the RICs may also be subject to a maximum early repurchase fee of up to 5% if they elect to redeem their shares before the first anniversary of their investment.

It is critical that Fund Investors and Managed Account clients refer to the relevant confidential private placement memorandum, investment management agreement and/or other governing documents for a complete understanding of expenses they may pay. The information contained herein is a summary only and is qualified in its entirety by such documents.

D. Prepayment of Fees

Management Fees for certain of the Funds are paid quarterly in advance based on the value of the relevant assets as of the first day of the quarter. Management Fees for certain other funds are calculated and deducted semi-annually in advance. Management Fees for the RICs are payable monthly. Upon termination of an investment advisory relationship with any Investor or Managed Account client who has paid in advance, Private Advisors may refund to such Investor or Managed Account client the pro-rata

portion of any advance payment.

E. Additional Compensation and Conflicts of Interest

Neither Private Advisors nor any of its Supervised Persons has accepted compensation (e.g., brokerage commissions) for the sale of securities or other investment products, although this ability exists.

ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As described in Item 5 above, Private Advisors (or an affiliate) receives performance-based compensation from Fund Investors and from certain Managed Account clients. Not all Advisory Clients are subject to performance-based fees.

The possibility that Private Advisors (or an affiliate) may receive performance-based compensation creates a potential conflict of interest in that it may create an incentive to make investments that are riskier or more speculative than in the absence of such performance-based fee. Prior to making an investment, Investors and Managed Account clients are provided with clear disclosure as to how performance-based compensation is charged with respect to a particular Fund or Managed Account and the risks associated with such performance-based compensation.

The possibility that Private Advisors (or an affiliate) will receive performance-based compensation from certain Advisory Clients but not from certain other Advisory Clients creates a potential conflict of interest in that it may create an incentive for Private Advisors to direct investment ideas that it believes will be more profitable to, or allocate investment opportunities in a manner that favors, those Advisory Clients which are subject to performance-based fees. In order to manage such potential conflicts, the Advisory Client portfolios are under continuous review by Private Advisors' investment committee (as described in Item 13). In addition, Private Advisors has implemented an allocation policy and regularly reviews its investment allocations (as described in Item 12). Private Advisors, to the extent within its control, will not favor itself in any way to an Advisory Client's detriment and will act in a manner that it believes over the long-term is fair and equitable to its Advisory Clients.

ITEM 7 – TYPES OF CLIENTS

As described in Item 4, Private Advisors' principal activity is providing institutional investors and high net worth clients with professional management of hedge fund and private equity investments, principally via fund-of-funds vehicles, including numerous U.S.-domiciled limited partnerships and Cayman-domiciled corporations, but also through direct investment vehicles, and in some instances using a traditional master/feeder structure. Managed Accounts have been established for high net-worth individuals and certain entities such as trusts, pension plans, foundations and endowments. Private Advisors also serves as a sub-adviser to the RICs.

The Funds offer interests/shares only to certain qualified investors and admission to the Funds is not open to the general public. An investment in a Fund is generally restricted to Investors which qualify as "accredited investors," as that term is defined under rule 501(a) of Regulation D of the Securities Act of 1933, as amended. Some Funds further require investors to qualify as "qualified eligible persons" as that term is defined under the rules of the Commodity Futures Trading Commission, and/or "qualified purchasers" as that term is defined under the Investment Company Act of 1940, as amended. Generally, Investors must invest a minimum of \$1,000,000 for each Fund, except for one Fund with a minimum investment amount of \$500,000 and two Funds with minimum investment amounts of \$5,000,000. Investors in the RICs generally must invest a minimum of \$50,000 as an initial subscription, with a minimum subsequent subscription of \$10,000. In each case, the investment minimum is subject to waiver at the discretion of Private Advisors.

Certain of the private funds managed by Private Advisors are subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Pursuant to ERISA, Private Advisors requires that employees not compromise Private Advisors, its Board of Managers, its clients or its suppliers for personal gain. Neither employees nor their family members should accept gifts or other special treatment of more than "nominal value" from persons who do business with Private Advisors. However, this is not intended to prevent normal incidents to a business relationship, such as the occasional meal or entertainment. The acceptance of cash in any amount is prohibited. Private Advisors believes that any gifts and entertainment received by its employees are received in the context of a general business relationship and should not be viewed as attributable or allocable to any particular investor or fund or to any particular investor in any fund. In any event, if the value of gifts and entertainment received by employees of Private Advisors during any calendar year were allocated by Private Advisors to each fund it advises pro rata based on the value of such fund in relation to total assets under management, and in turn to investors in such fund, the value allocated to each investor would be of insubstantial value.

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

A. Methods of Analysis and Investment Strategies

With respect to the hedge and private equity Funds, Private Advisors may use a variety of resources or services to form an investment idea or strategy. Private Advisors identifies, evaluates and monitors hedge, private equity, limited liability companies, co-investment opportunities, other alternative investment vehicles and other direct investment opportunities in which the Advisory Clients may invest. Fund investments, depending on strategy, will typically include venture capital, buyout, distressed debt, long/short equity, low volatility multi-strategy, and similar partnerships. Portfolio Managers are identified through research, referrals, word of mouth, co-investment opportunities, review of industry publications, conferences and similar sources. Private Advisors conducts detailed due diligence on each Portfolio Manager, including review of factors such as the Portfolio Manager's investment performance during various time periods and market cycles, investment strategy, infrastructure, research capabilities, assets under management and the Portfolio Manager's reputation, experience, training, and investment philosophy and policies. The Portfolio Manager's ability to provide timely and accurate reporting also will be considered. Private Advisors also assesses certain investment opportunities by employing a rigorous research process that may include, among others, detailed analysis of historical financial statements and development of financial projections, meetings with company management, industry research (including use of outside experts), consultation with customers, suppliers and competitors, and analysis of legal documents and use of outside legal counsel to determine validity and ranking of various claims where necessary. With respect to Funds employing a coinvestment strategy, Private Advisors typically seeks to generate deal flow by utilizing its established proprietary databases, systems and processes, as well as capitalizing on the background and network of each of its investment professionals and their hedge fund and private equity relationships.

With respect to the Direct Investment Funds, Private Advisors will select UVF Portfolio Managers who (1) generally have short to non-existent performance records, but who are experienced portfolio managers or analysts who have spun out of a hedge fund organization; or (2) generally have a lengthy track record, but are either located outside of major urban centers or who have engaged in very limited marketing efforts and desire to remain small in terms of the level of assets under management. Private Advisors identifies and evaluates UVF Portfolio Managers based on, but not limited to, the following criteria: (a) the investment management experience or expertise of the UVF Portfolio Manager; (b) the historical performance of funds managed by the UVF Portfolio Manager, if appropriate; (c) the style and strategy of the UVF Portfolio Manager as well as the UVF Portfolio Manager's ability to apply its investment approach consistently and effectively; (d) the diversification benefits of each UVF Portfolio Manager to the overall Fund; (e) the quality of the investment management organization; and (f) the willingness of the UVF Portfolio Manager to seek compensation through a performance fee-based manager compensation structure. Private Advisors reviews each UVF Portfolio Manager's account regularly. While Private Advisors intends to select UVF Portfolio Managers who employ strategies with a multi-year investment horizon, changes may be made in the underlying UVF Portfolio Manager if Private Advisors determines that it no longer meets the objectives of the Fund.

Finally, it is noted that investing in securities involves risk of loss that Investors and Advisory Clients should be prepared to bear.

B. Material, Significant or Unusual Risks Relating to Investment Strategies

Private Advisors has broad discretion in selecting Portfolio Managers and in developing a risk profile for the Advisory Client portfolios, with the exception of the RICs. Generally, there are few limitations on the types of securities or other financial instruments that may be traded and no requirement to diversify. Unlike the RICs, which must adopt certain fundamental investment policies and restrictions that cannot be changed without shareholder approval, Private Advisors will have wide latitude in determining, adjusting, and even changing a Fund's investment strategy, if deemed appropriate by Private Advisors, without the consent of the respective Fund's Investors.

SUMMARY OF RISKS RELATED TO HEDGE FUND OF FUNDS STRATEGY:

Strategies of Managers

The Funds utilize Portfolio Managers that employ various investment strategies. The ability of a Portfolio Manager to obtain a profit from these investment strategies may often depend upon factors that are intrinsic to the particular issuer, rather than the market as a whole. Appreciation in the value of such securities may be contingent upon the occurrence of certain events, such as a successful reorganization or merger. If the expected event does not occur, the Portfolio Fund may incur a loss on the position.

Lack of Direct Control by Investment Manager

Private Advisors typically entrusts all trading decisions to the selected Portfolio Managers. In so doing, a Fund will be dependent upon the integrity, skill and judgment of its Portfolio Managers. Although Private Advisors may impose certain restrictions on the Portfolio Managers, there can be no assurances that the Portfolio Managers will comply with such restrictions.

Other Clients of Portfolio Managers; Performance May Vary from Period to Period

The Portfolio Managers have exclusive responsibility for making trading decisions on behalf of the given Portfolio Fund. Portfolio Managers may also manage other accounts (including other funds and accounts in which the Portfolio Managers may have an interest) which, together with the given Portfolio Fund could increase the level of competition for the same trades, including the priorities of order entry. This could make it difficult or impossible to take or liquidate a position in a particular security at a price indicated by a Portfolio Manager's strategy. The Portfolio Managers and their principals may employ different trading methods, policies and strategies for different funds or accounts. Therefore, the results of the Portfolio Fund's trading may differ from those of the other accounts traded by the same Portfolio Manager. As the funds under management by a particular Portfolio Manager increase, the Portfolio Manager may have increasing difficulty implementing an investment strategy which may have been successful in the past, or difficulty finding sufficient investment opportunities which are attractive. Private Advisors will endeavor to select Portfolio Managers based, in part, upon a detailed evaluation of such Portfolio Manager's past performance. **However, there can be no assurances that a Portfolio Manager's future results will be as successful as his or her past performance. Moreover, even where a Portfolio Manager has achieved excellent results over an extended period, because of cyclical movements and volatility, period to period results may differ materially. Accordingly, Private Advisors believes that an investment in the Funds is suitable only for those investors who intend to make a long-term investment in the given Fund.**

Credit Agreement

Certain Funds are party to a credit agreement that establishes a line of credit to enhance the liquidity of the Fund. In order to secure the loan, the Fund has pledged its assets to the lender as collateral. In general, the maximum amount of the loan varies by Fund and is limited to between 15% and 25% of the value of such collateral. The risks associated with such a loan include interest expense risk, and in the unlikely

event that the value of the collateral were to decline significantly, the Fund could be forced to liquidate its assets to satisfy the loan.

Performance Fees Payable to Portfolio Managers; Layering of Fees

The fee arrangements with Portfolio Managers and the partnership agreements of the hedge funds in which the Funds may invest will generally provide that the Portfolio Manager (or general partner, as applicable), will receive a minimum fee calculated as a percentage of assets under management and the general partner or Portfolio Manager may also benefit from appreciation, including unrealized appreciation, in the value of the account or fund being managed, but may not be penalized for realized losses or decreases in the value of the account or fund. Generally, the Portfolio Managers' compensation is determined separately for each year, but when possible, agreements are obtained to carry forward losses to subsequent years in determining the fee for such years. Such fee arrangements may give the Portfolio Managers and general partners of Portfolio Funds an incentive to make purchases for the given Fund that are unduly risky or more speculative than would be the case in the absence of such compensation arrangements. Also, incentive fees may be paid to Portfolio Managers and general partners of those Portfolio Funds that show net profit, even though the given Fund, as a whole, incurs a net loss. In addition to the fees which will be paid to the Portfolio Managers, Private Advisors receives a management fee, typically calculated and payable quarterly in advance, regardless of the profitability of the Fund's operations. The separate fees payable to Private Advisors will result in a layering of fees which will reduce the rate of return which Investors will derive from a given Fund's investments.

Due Diligence in Portfolio Manager Selection Process

Funds will conduct due diligence which Private Advisors believes is adequate to select Portfolio Managers with which to invest a Fund's assets. However, due diligence is not foolproof and may not uncover problems associated with a particular Portfolio Manager. A Fund may rely upon representations made by hedge fund managers, accountants, attorneys, prime brokers, and/or other investment professionals. If any such representations are misleading, incomplete, or false, this may result in the selection of Portfolio Managers which might otherwise have been eliminated from consideration had fully accurate and complete information been made available to the Fund.

Activities of Portfolio Managers

Although Private Advisors seeks to select only Portfolio Managers who will invest a Fund's assets with the highest level of integrity, Private Advisors does not have control over the day-to-day operations of any of its selected Portfolio Managers. Private Advisors would not necessarily be aware of certain activities at the underlying Portfolio Manager level, including without limitation the Portfolio Manager's engaging in unreported risks, investment "style drift" or even fraud. As a result, there can be no assurance that every Portfolio Manager engaged by the Funds will conform its conduct to these standards.

Volatility

Some Portfolio Managers may hold a relatively limited number of investments. Thus the aggregate returns realized by a given Fund may be adversely affected by a small number of investments. Further, while Private Advisors typically allocates Fund assets among Portfolio Managers with differing styles and techniques, there are no fixed allocation percentages. There is the risk that a disproportionate share of a Fund's assets may be committed to one or more strategies or techniques. Private Advisors does not seek to manage correlation risk. This is the risk that different Portfolio Managers may invest in the same securities or sectors. This would result in less diversification than would be suggested by the number of Portfolio Managers being employed. The allocation of Fund assets to new or emerging fund Portfolio Managers or Portfolio Managers that utilize unique investment strategies or asset classes may subject a Fund to greater volatility due to the greater difficulty in assessing the track record, investment strategy and relevant risks of such Portfolio Managers versus Portfolio Managers with longer track records or

more conventional strategies. The allocation of Fund assets to Portfolio Managers in response to particular market conditions could increase volatility and potential for loss if such market conditions continue to worsen.

SUMMARY OF RISKS RELATED TO DIRECT INVESTMENT FUNDS:

No Operating History

The Direct Investment Funds will commence business operations in or around April 2014 and have no operating history to which a potential investor may refer in determining whether to invest with the Direct Investment Funds.

Limited Diversification

The Direct Investment Funds' investment strategy is to invest the Direct Investment Funds' assets with UVF Portfolio Managers, most of whom employ a long/short equity strategy. This limited diversification will mean that the results of any one UVF Portfolio Manager may have a significant impact on the Direct Investment Funds' results. Moreover, it may mean that the Direct Investment Funds' results will be more volatile than they would be if the Direct Investment Funds utilized a larger number of managers across a variety of investment styles and strategies. UVF Portfolio Managers may not be required to follow any specific concentration restrictions and may at times, individually or collectively, accumulate substantial positions in one or more securities.

Trading by Underlying Portfolio Managers

Except with respect to certain assets that are expected to be managed directly by Private Advisors, Private Advisors generally does not intend to make trading decisions itself, but rather entrusts such trading decisions to the UVF Portfolio Managers selected by Private Advisors. In so doing, the Direct Investment Funds are dependent upon the integrity, skill, and judgment of such UVF Portfolio Managers. Although Private Advisors may impose certain restrictions on the UVF Portfolio Managers, there can be no assurances that the UVF Portfolio Managers will comply with such restrictions.

Other Clients of Portfolio Managers; Performance May Vary from Period to Period

The UVF Portfolio Managers have exclusive responsibility for making trading decisions on behalf of the Direct Investment Funds. UVF Portfolio Managers may also manage other accounts (including other funds and accounts in which the UVF Portfolio Managers may have an interest) which, together with the given Direct Investment Fund could increase the level of competition for the same trades, including the priorities of order entry. This could make it difficult or impossible to take or liquidate a position in a particular security at a price indicated by a UVF Portfolio Manager's strategy. The UVF Portfolio Managers and their principals may employ different trading methods, policies and strategies for different funds or accounts. Therefore, the results of the Direct Investment Funds' trading may differ from those of the other accounts traded by the same UVF Portfolio Manager. As the funds under management by a particular UVF Portfolio Manager increase, the UVF Portfolio Manager may have increasing difficulty implementing an investment strategy which may have been successful in the past, or difficulty finding sufficient investment opportunities which are attractive. Private Advisors will endeavor to select UVF Portfolio Managers based, in part, upon a detailed evaluation of such UVF Portfolio Manager's past performance. **However, there can be no assurances that a UVF Portfolio Manager's future results will be as successful as his or her past performance. Moreover, even where a UVF Portfolio Manager has achieved excellent results over an extended period, because of cyclical movements and volatility, period to period results may differ materially. Accordingly, Private Advisors believes that an investment in the Direct Investment Funds is suitable only for those investors who intend to make a long-term investment in the given Fund.**

Performance and Management Fees Payable to Portfolio Managers; Layering of Fees

The fee and profit sharing arrangements with third-party UVF Portfolio Managers to be set forth in the sub-advisory or similar agreements with such UVF Portfolio Managers at the Master UVF level are expected to provide for payment to each such UVF Portfolio Manager of certain minimum fees calculated as a percentage of assets under management, together with a fee based on the appreciation, including unrealized appreciation, in the value of the account being managed, but may not be penalized for realized losses or decreases in the value of the account or fund. Such UVF Portfolio Manager's compensation and profit share may be determined separately for each year, but when possible, agreements will be obtained to carry forward losses to subsequent years in determining the profit share for such years. Such arrangements may give the UVF Portfolio Managers an incentive to make purchases for the Direct Investment Funds that are unduly risky or more speculative than would be the case in the absence of such compensation arrangements. Also, incentive fees may be received by certain UVF Portfolio Managers, even though the Direct Investment Funds, as a whole, incur a net loss. In most cases, the performance fee to third-party UVF Portfolio Manager is expected to be approximately ten percent (10%) of the net gain for the relevant managed account over the course of relevant calculation period (typically annually), though this percentage may differ from UVF Portfolio Manager to UVF Portfolio Manager. Please see Item 5 for a discussion of the fees Private Advisors will receive. The fees and allocations to be received by the Private Advisors, the General Partner and the UVF Portfolio Managers cannot be ascertained in advance. The separate fees and allocations to be received by the Private Advisors and the General Partner will result in a layering of fees and allocations which reduces the yield which investors derive from the Direct Investment Funds' investments.

Volatility

Some of the UVF Portfolio Managers selected may hold a relatively limited number of investments. Thus the aggregate returns realized by the Direct Investment Funds may be adversely affected by a small number of investments. Further, while Private Advisors may allocate Direct Investment Fund assets among UVF Portfolio Managers with differing styles and techniques, there are no fixed allocation percentages. There is the risk that a disproportionate share of the Direct Investment Funds' assets may be committed to one or more strategies or techniques. Private Advisors does not seek to manage correlation risk. This is the risk that different UVF Portfolio Managers may invest in the same securities or sectors. This would result in less diversification than would be suggested by the UVF Portfolio Managers being employed. The allocation of Direct Investment Funds' assets to new or emerging UVF Portfolio Managers that utilize unique investment strategies or asset classes may subject the Direct Investment Funds to greater volatility due to the greater difficulty in assessing the track record, investment strategy and relevant risks of such UVF Portfolio Managers versus UVF Portfolio Managers with longer track records or more conventional strategies. The allocation of Direct Investment Fund assets to UVF managers in response to particular market conditions could increase volatility and potential for loss if such market conditions continue to worsen.

Due Diligence in Portfolio Manager Selection Process

The Direct Investment Funds will conduct due diligence which Private Advisors believes is adequate to select UVF Portfolio Managers with which to invest Direct Investment Fund assets. However, due diligence is not foolproof and may not uncover problems associated with a particular UVF Portfolio Manager. The Direct Investment Funds may rely upon representations made by UVF Portfolio Managers, accountants, attorneys, prime brokers, and/or other investment professionals. If any such representations are misleading, incomplete, or false, this may result in the selection of UVF Portfolio Managers which might otherwise have been eliminated from consideration had fully accurate and complete information been made available to the Direct Investment Funds. Similarly, Private Advisors conducts ongoing due diligence in an effort to detect material changes in a UVF Portfolio Manager's personnel or operations

which could be material to the Direct Investment Funds. However, such diligence may not be effective in identifying all material problems before they occur.

Emerging Portfolio Managers

The Direct Investment Funds will allocate capital to small, emerging UVF Portfolio Managers. Due to their size and, in some cases, limited operating history, these emerging UVF Portfolio Managers may have more limited resources than larger UVF Portfolio Managers with a longer operating history. For example, these smaller UVF Portfolio Managers may lack the same depth in research capabilities or robust operational or compliance infrastructure that may be more typical of a larger, well-established portfolio manager.

Limitations in the Performance of Value Investments

UVF Portfolio Managers may employ a “value” investing strategy based on an analysis of the fundamentals of underlying portfolio companies. However, notwithstanding the accuracy of the analysis of the UVF Portfolio Managers with respect to certain companies as being undervalued, there remains a risk that the market will not ultimately recognize such value. As a result, such portfolio company may ultimately be sold at a loss or otherwise fail realize a gain.

Non Disclosure of Other Arrangements

One or more UVF Portfolio Managers may, without notice to the Direct Investment Funds, enter into agreements with certain clients granting them, among other things, lower fees or other investment terms that might be viewed as more favorable than the terms upon which they will manage assets on behalf of the Direct Investment Funds. Such UVF Portfolio Manager shall have no obligation to offer such additional rights, terms or conditions to all of its clients, including the Direct Investment Funds. In addition, UVF GP, LLC may, without notice investors, enter into agreements with certain investors granting them, among other things, greater portfolio transparency, fee waivers or reductions, interests having different voting rights or restrictions, additional rights to reports and other information and other more favorable investment terms, including withdrawal rights, than the terms associated with investments by other investors. UVF GP, LLC shall have no obligation to offer such additional rights, terms or conditions to all investors. Such agreements are generally confidential and not all investors will be able to obtain such additional rights. Notwithstanding UVF GP, LLC’s authority to enter into such agreements, it may not take any action or agree to any terms that would not be in the best interests of the Direct Investment Funds or that would be detrimental to the other Direct Investment Funds.

Access to Managers

In some cases, the Direct Investment Funds may not be able to gain access to or invest with desired UVF Portfolio Managers because the Direct Investment Funds do not meet eligibility or minimum investment requirements or because the UVF Portfolio Manager is not accepting additional investors at that time. Although the Direct Investment Funds may want to invest with a particular UVF Portfolio Manager, they may not be permitted to do so for a variety of reasons beyond the control of Private Advisors. Some managers may be unavailable because they are unwilling or unable to manage a separately managed account, requiring investors to invest in their commingled funds. There is also an adverse selection risk, that is, the risk that the UVF Portfolio Managers willing to accept a managed account, or to agree to reduced fees, will be limited to less successful managers who are otherwise unable to raise capital.

SUMMARY OF RISKS RELATED TO THE RICs:

No Operating History

Neither New York Life Investments nor Private Advisors has prior experience managing funds-of-funds registered as investment companies under the Advisers Act. However, New York Life Investments does

manage and provide administrative services to open-end mutual funds registered under the Advisers Act and Private Advisors has considerable experience managing private funds operating as hedge funds-of-funds.

Non-Diversified Status

The RICs are “non-diversified” management investment companies. Thus, there are no specific percentage limitations imposed by the diversification provisions of the Advisers Act on the percentage of the RICs’ assets that may be invested in the securities of any one issuer. Although Private Advisors will follow a general policy of seeking to diversify the Master RIC’s capital among multiple hedge funds, Private Advisors may depart from such policy from time to time and one or more hedge funds may be allocated a relatively large percentage of the Master RIC’s assets subject to the limits set forth in the RICs’ governing documents. As a result of a large investment in a particular hedge fund, losses suffered by such hedge fund could result in a larger reduction in the RICs’ NAV than if such capital had been more proportionately allocated among a larger number of hedge funds.

Risks Related to Operating as a Registered Investment Company and the Master RIC’s Investments in PFICs

The Feeder RIC and the Master RIC intend to elect to be treated and to qualify each year as a regulated investment company under the Internal Revenue Code of 1986, as amended (“Code”). As regulated investment companies, the Feeder RIC and the Master RIC, respectively, will generally not be subject to fund-level income tax on any income and gains that it timely distributes to Shareholders. To qualify and maintain its status as a regulated investment company, the Feeder RIC and the Master RIC each must, among other things, meet certain source-of-income, asset diversification and annual distribution requirements. If the Feeder RIC or the Master RIC fail to qualify as a regulated investment company for any reason, it will be subject to U.S. federal income tax at regular corporate rates on all of its taxable income and gains. The resulting corporate taxes would materially reduce the Feeder RIC’s and the Master RIC’s net assets and the amount of cash available for distribution to Shareholders.

The Master RIC anticipates that substantially all of the hedge funds in which it invests will be treated as “passive foreign investment companies” or “PFICs” for U.S. federal income tax purposes. The regulated investment companies will be subject to certain risks associated with the Master RIC’s strategy of investing in PFICs. For example, the special rules governing PFICs will require the Master RIC to recognize taxable income without a corresponding receipt of cash. Since the Master RIC will recognize taxable income without a corresponding receipt of cash by reason of investing in PFICs, the Master RIC will have greater difficulty satisfying its annual distribution requirements in order to qualify for taxation as a regulated investment company. Even if the Master RIC remains qualified as a regulated investment company, it will be subject to fund-level income and excise taxes on taxable income (and gain), including taxable income without a corresponding receipt of cash, that the Master RIC does not distribute to Shareholders. Although the Master RIC may borrow funds or to redeem a sufficient amount of its investments in PFICs to meet the distribution requirements to maintain its qualification as a regulated investment company and minimize U.S. federal income and excise taxes, no assurance can be given in this regard.

Any losses the Master RIC recognizes with respect to its investments in PFICs will be treated as ordinary losses. Although a regulated investment company is permitted to carry forward a net capital loss, a regulated investment company is not permitted to carry forward a net operating loss. Accordingly, to the extent any mark-to-market PFIC losses, including losses from the Master RIC’s actual sales of PFIC shares, create or increase a net operating loss of the Master RIC for a given taxable year, the Master RIC will not realize any tax benefit from such PFIC losses because the Master RIC will not be allowed to carry forward such PFIC losses to offset taxable income in future taxable years. In addition, the Master

RIC will be required to reduce its adjusted tax basis in its PFIC shares by the amount of mark-to-market PFIC losses even if the Master RIC realizes no tax benefit from such mark-to-market PFIC losses, which would be the case if such mark-to-market PFIC losses create or increase a net operating loss of the Master RIC. In this situation, the Master RIC's future gross income will be increased (or its future loss will be decreased) by reason of any reduction of the Master RIC's adjusted tax basis in its PFIC shares for such unusable mark-to-market PFIC losses. Thus, unusable mark-to-market PFIC losses and unusable losses from the Master RICs actual sales of PFIC shares produce the adverse tax result of double taxation to the Master RIC and thus Shareholders.

It is critical that Advisory Clients and Investors refer to their respective Advisory Client's offering documents for a complete understanding of the significant risks associated with investments in the Advisory Clients (including the risk of total loss). The information contained herein in as summary only and is qualified in its entirety by the relevant Advisory Client's offering documents.

C. Risks Associated With Particular Types of Securities

Generally, the below risks are relevant to Private Advisors' Funds-of-Funds and Direct Investment Funds.

Investment and Trading Risks in General

Investments made by Fund risk the loss of capital. Portfolio Managers may utilize such investment techniques as leverage, margin transactions, short sales, option transactions and forward and futures contracts, practices which can, in certain circumstances, maximize the adverse impact to which the Fund may be subject. No guarantee or representation is made that the Fund's program will be successful, and investment results may vary substantially over time.

Use of Leverage

Portfolio Managers may buy and sell securities on margin or otherwise utilize leverage through the use of swaps, repurchase agreements or similar techniques, increasing the potential volatility of the Fund's investments. Trading securities on margin, unlike trading in futures (which also involves margin), will result in interest charges to the given Fund and, depending on the amount of trading activity, such charges could be substantial. The extent to which Portfolio Managers utilize leverage varies considerably, and depends in large part on the nature of the Portfolio Manager's strategy. The low margin deposits normally required in futures and forward trading permit a high degree of leverage; accordingly, a relatively small price movement in a futures contract may result in immediate and substantial losses to the Investor. Irrespective of the risk control objectives of Private Advisors' multi-asset, multi-manager approach, such a high degree of leverage necessarily entails a high degree of risk.

Small and Medium Capitalization Companies

Certain Portfolio Managers may invest in the securities of companies with small-to medium-sized capitalizations. While the securities of such companies often provide significant potential for appreciation, smaller-capitalization stocks involve higher risks in some respects than do investments in the securities of larger companies. For example, prices of small-capitalization and even medium-capitalization stocks are often more volatile than prices of large-capitalization stocks, and the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to investors) is higher than that for larger, "blue-chip" companies. In addition, due to thin trading in some small-capitalization stocks, an investment in such securities may be relatively illiquid.

Illiquid Portfolio Securities

To the extent that a Portfolio Manager invests in private securities or restricted securities, the valuation of such securities will be determined by the Portfolio Manager, whose determination, despite the conflict to

which the Portfolio Manager is subject when establishing such values, will be final and conclusive as to all parties. The value established may not reflect accurately the amount that could be realized if the securities were sold. The valuation process and potential conflicts are overseen by the Private Advisors Valuation Committee.

Short Selling

A given Fund's Portfolio Managers may engage in short selling. Short selling involves selling securities which may or may not be owned and borrowing the same securities for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the investor to profit from declines in market prices to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. However, since the borrowed securities must be replaced by purchases at market prices in order to close out the short position, any appreciation in the price of the borrowed securities would result in a loss. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss.

Highly Volatile Markets

The prices of commodities contracts and all derivative instruments, including futures and options prices, are highly volatile. Price movements of forward contracts, futures contracts and other derivative contracts in which the Fund's assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly those in currencies, financial instrument futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. Portfolio Funds also are subject to the risk of the failure of any of the exchanges on which its positions trade or of their clearinghouses.

Distressed Securities

Certain Funds will utilize Portfolio Managers that invest in distressed securities. The ability of a Portfolio Manager to obtain a profit from these investments may often depend upon factors that are intrinsic to the particular issuer, rather than the market as a whole. Appreciation in the value of such securities may be contingent upon the occurrence of certain events, such as a successful reorganization or merger. If the expected event does not occur, the Portfolio Fund may incur a loss on the position. Distressed securities may have a limited trading market, resulting in limited liquidity and presenting difficulties to the Portfolio Manager in valuing its positions.

Hedging

Portfolio Managers may engage in a variety of hedging transactions. Hedges can be more difficult to implement than many other types of transactions and the possibilities for errors may be greater than for other transactions. Portfolio Managers may use options or futures contracts for hedging purposes. There is a risk that price movements on the futures contracts or options may not correspond to price movements in the security against which the Portfolio Manager is using the futures contracts to hedge because of fundamental differences between the two instruments and the factors which affect price movements.

Certain Derivative Instruments

A Portfolio Manager may purchase and sell ("write") options on equities on national and international securities exchanges and in the domestic and international over-the-counter market. The seller ("writer") of a put option that is covered (i.e., the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sales price (in establishing the short position) of the underlying security, plus the premium received, and gives up the opportunity for

gain on the underlying security below the exercise price of the option. If the seller of the put option owns a put option covering an equivalent number of shares with an exercise price equal to or greater than the exercise price of the put written, the position is “fully hedged” if the option owned expires at the same time or later than the option written. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option. The buyer of a put option assumes the risk of losing its entire investment in the put option. If the buyer of the put holds the underlying security, the loss on the put will be offset in whole or in part by any gain on the underlying security.

The writer of a call option that is covered (i.e., the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the value of the underlying security less the premium received, and gives up the opportunity for gain on the underlying security above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The buyer of a call option assumes the risk of losing its entire investment in the call option. If the buyer of the call sells short the underlying security, the loss on the call will be offset, in whole or in part, by any gain on the short sale of the underlying security.

Swaps and certain options and other custom instruments are subject to the risk of non-performance by the swap counterparty, including risks relating to the financial soundness and creditworthiness of the swap counterparty.

Fixed-Income Securities

The Portfolio Managers may invest in fixed-income securities. These securities may pay fixed, variable or floating rates of interest, and may include zero coupon obligations. Fixed-income securities are subject to the risk of the issuer’s inability to meet principal and interest payments on its obligations (i.e., credit risk) and are subject to the risk of price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness or financial condition of the issuer, and general market liquidity (i.e., market risk). The Portfolio Managers may invest in both investment grade and non-investment grade debt securities, including high yield bonds and distressed securities. Non-investment grade debt securities are generally considered to be speculative with respect to the issuer’s capacity to pay interest and repay principal. Non-investment grade debt securities in the lowest rating categories may involve a substantial risk of default or may be in default. Distressed securities are securities issued by companies that are involved in bankruptcy or insolvency proceedings or experiencing other financial difficulties. The performance of investments in distressed securities may be adversely affected to a greater extent by specific economic developments affecting an issuer, or by a general economic downturn, than investment in securities of issuers not facing such difficulties.

Warrants

Warrants are derivative instruments that permit, but do not obligate, the holder to purchase other securities. Warrants do not carry with them any right to dividends or voting rights. A warrant ceases to have value if it is not exercised prior to its expiration date.

Use of Swap Agreements

Portfolio Managers may use equity, interest rate, index and currency swap agreements. Swap agreements are two-party contracts entered into primarily by institutional investors for periods ranging from a few weeks to more than a year. In a standard swap transaction, two parties agree to exchange the returns earned on specified assets, such as the return on, or increase in value of, a particular dollar amount invested at a particular interest rate, in a particular foreign currency, or in a “basket” of securities representing a particular index. The use of swaps is a highly specialized activity that involves investment

techniques and risks different from those associated with ordinary securities transactions. Interest rate swaps, for example, do not typically involve the delivery of securities, other underlying assets or principal. Accordingly, the market risk of loss with respect to an interest rate swap is often limited to the amount of interest payments that the Portfolio Manager is contractually obliged to make on a net basis.

There are risks relating to the financial soundness and creditworthiness of the counterparty to swap agreements. If the other party to an interest rate swap defaults, the Portfolio Manager's risk of credit loss may be the amount of interest payments that the Portfolio Manager is contractually obliged to receive on a net basis. However, where swap agreements require one party's payments to be "up-front" and timed differently than the other party's payments (such as is often the case with currency swaps), the entire principal value of the swap may be subject to the risk that the other party to the swap will default on its contractual delivery obligations. If there is a default by the counterparty, the Portfolio Manager may have contractual remedies pursuant to the agreements related to the transaction. The swap market has grown substantially in recent years, and has become relatively more liquid, with a large number of banks and investment banking firms acting both as principals and as agents utilizing standardized swap documentation. The investment performance of the Portfolio Manager, however, may be adversely affected by the use of swaps if the Portfolio Manager's forecasts of market values, interest rates or currency exchange rates are inaccurate.

Credit Default Swap Agreements

Portfolio Managers may enter into credit default swap agreements. The "Buyer" in a credit default swap contract is obligated to pay the "seller" a periodic stream of payments over the term of the contract in return for a contingent payment upon the occurrence of a credit event with respect to an underlying reference obligation. Generally, a credit event means bankruptcy, failure to pay, obligation acceleration or modified restructuring. A Portfolio Manager may be either the buyer or seller in the transaction. As a seller, a Portfolio Manager receives a fixed rate of income throughout the term of the contract, which typically is between one month and five years, provided that no credit event occurs. If a credit event occurs, the Portfolio Manager typically must pay the contingent payment to the buyer, which is typically the "par value" (full notional value) of the reference obligation. The contingent payment may be a cash settlement or by physical delivery of the reference obligation in return for payment of the face amount of the obligation. If a Portfolio Manager is a buyer and no credit event occurs, the Portfolio Manager may lose its investment and recover nothing. However, if a credit event occurs, the buyer typically receives full notional value for a reference obligation that may have little or no value. Credit default swap agreements may involve greater risks than if a Portfolio Manager had invested in the reference obligation directly. Credit default swap agreements are subject to general market risk, liquidity risk and credit risk. As noted above, if a Portfolio Manager is a buyer and no credit event occurs, it will lose its investment. In addition, the value of the reference obligation received by a Portfolio Manager as a seller if a credit event occurs, coupled with the periodic payments previously received, may be less than the full notional value it pays to the buyer, resulting in a loss of value to the Portfolio Manager. The treatment of credit default swaps as "notional principal contracts" for U.S. federal income tax purposes is uncertain. Were the U.S. Internal Revenue Service to take the position that a credit default swap is not a notional principal contract, payments received by a non-U.S. counterparty from such transactions could be subject to U.S. withholding or excise taxes.

Non-U.S. Investments

A Portfolio Manager may invest in non-U.S. securities denominated in non-U.S. currencies and/or traded outside of the United States. Such investments require consideration of certain risks typically not associated with investing in U.S. securities or property. Such risks include, among other things, trade balances and imbalances and related economic policies, unfavorable currency exchange rate fluctuations, impositions of exchange control regulation by the United States or foreign governments, United States

and foreign withholding taxes, limitation on the removal of funds or other assets, policies of governments with respect to possible nationalization of their industries, political difficulties, including expropriation of assets, confiscatory taxation, and economic or political instability in foreign nations. There may be less publicly available information about certain foreign companies than there would be in the case of comparable companies in the United States. Certain foreign companies may not be subject to accounting, auditing, and financial reporting standards and requirements comparable to or as uniform as those of United States companies. Securities markets outside the United States, while growing in volume, have for the most part substantially less volume than U.S. markets, and many securities traded on these foreign markets are less liquid and their prices are more volatile than securities of comparable United States companies. In addition, settlement of trades in some non-U.S. markets is much slower and more liable to failure than in U.S. markets.

Foreign Exchange Risk

Certain Portfolio Managers have reserved the right to invest in the securities of non-U.S. issuers. A portion of any such underlying fund's assets may be invested in equity securities denominated in currencies other than the U.S. dollar and in other financial instruments, the price of which is determined with reference to currencies other than the U.S. dollar. Any such fund, however, would likely value its securities and other assets in U.S. dollars. To the extent unhedged, the value of the fund's assets will fluctuate with U.S. dollar exchange rates as well as with price changes of the fund's investments in the various local markets and currencies. Thus, an increase in the value of the U.S. dollar compared to the other currencies in which the assets of the fund are invested would reduce the effect of increases and magnify the U.S. dollar equivalent of the effect of decreases in the prices of the securities invested in by a fund in non-U.S. markets. Conversely, a decrease in the value of the U.S. dollar would have the opposite effect; it would magnify the effect of increases and reduce the effect of decreases in the prices of the non-U.S. dollar securities invested in by the fund.

A Portfolio Manager may utilize currency forward contracts and options to hedge against currency fluctuations. Forward contracts and options thereon, unlike futures contracts, are not traded on exchanges and are not standardized; rather banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and "cash" trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. The principals that deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade, and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. In respect of such trading, a fund is subject to the risk of counterparty failure or the inability or refusal by a counterparty to perform with respect to such contracts. Market illiquidity or disruption could result in major losses to a fund.

Futures Contracts

Commodity futures prices and commodity options can be highly volatile. Price movements of futures contracts and options are influenced by, among other things, changing supply and demand relationships, domestic and foreign governmental programs and policies and national and international political and economic events. Moreover, commodity exchanges generally limit fluctuations in commodity futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits". During a single trading day, no trades may be executed at prices beyond the daily limit. Once the price of a futures contract for a particular commodity has increased or decreased by an amount equal to the daily limit, positions in the commodity can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. Commodity futures prices have occasionally moved the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent the Fund's Managers

from promptly liquidating unfavorable positions and subject the Fund to substantial losses.

Systemic Risk - OTC and Derivative Counterparty Risk

World events and/or the activities of one or more large participants in the financial markets and/or other events or activities of others could result in a temporary systemic breakdown in the normal operation of financial markets. Such events could result in the Portfolio Managers selected by Private Advisors losing substantial value caused predominantly by liquidity and counterparty issues, which could result in a Fund incurring substantial losses.

Purchasing Initial Public Offerings

Portfolio Managers and Portfolio Funds may purchase securities of companies in initial public offerings of any equity security (“new issues”) or shortly thereafter. Special risk associated with these securities may include a limited number of interests available for trading, unseasoned trading, lack of investor knowledge of the company, and limited operating history. These factors may contribute to substantial price volatility for the interests of these companies and, thus, the Fund’s interests/shares. The limited number of interests available for trading in some initial public offerings may make it more difficult for a Portfolio Manager or Portfolio Fund to buy or sell significant amounts of interests without an unfavorable impact on prevailing market prices. In addition, some companies in initial public offerings are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalized or regarded as developmental stage companies, without revenues or operating income, or the near-term prospects of achieving them.

Liquidity of RIC Shares

The RICs have been established as closed-end management investment companies designed primarily for long-term investors and are not intended to be trading vehicles. Closed-end funds differ from open-end management investment companies (commonly known as mutual funds) in that investors in a closed-end fund do not have the right to redeem their shares on a daily basis at a price based on NAV. In order to be able to meet daily redemption requests, mutual funds are subject to more stringent liquidity requirements than closed-end funds. In particular, a mutual fund generally may not invest more than 15% of its net assets in illiquid securities, while a closed-end fund may invest all or substantially all of its assets in illiquid investments. The advisors believe that unique investment opportunities exist in the market for hedge funds, which generally are illiquid.

Shareholders will have no right to have their Shares redeemed or, because the RICs are not “interval funds” within the meaning of Rule 23c-3 under the Advisers Act, repurchased by the RICs at any time. While the RICs expect to offer to repurchase Shares from time to time, no assurance can be given that these repurchases will occur as scheduled or at all because repurchases will be conducted at the sole discretion of the Board. Even if a repurchase occurs, the percentage of the RICs’ outstanding Shares which can be redeemed on any redemption date is expected to be limited. Moreover, the transferability of Shares will be limited and no secondary market is expected to exist. Accordingly, no investor should purchase any Shares unless it is prepared to hold the Shares for an extended period of time.

The Master RIC may be subject to initial lock-up periods by certain hedge funds, beginning from the time of its initial investment in those hedge funds. In this regard, the Master RIC may not withdraw its investment during this period. In addition, certain hedge funds may at times elect to suspend completely or limit withdrawal rights for an indefinite period of time in response to market turmoil or other adverse conditions (such as those experienced by many hedge funds during late 2008 into 2009). During such periods, the Master RIC may not be able to liquidate its holdings in such hedge funds in order to meet repurchase requests. In addition, should the Master RIC seek to liquidate its investment in a hedge fund that maintains a side pocket, the Master RIC might not be able to fully liquidate its investment without

delay, which could be considerable. The RICs may need to suspend or postpone repurchase offers if the Master RIC is not able to dispose of its interests in hedge funds in a timely manner.

It is critical that Advisory Clients and Investors refer to their respective Advisory Client's offering documents for a complete understanding of the significant risks associated with investments in the Advisory Clients (including the risk of total loss). The information contained herein is as summary only and is qualified in its entirety by the relevant Advisory Client's offering documents.

ITEM 9 – DISCIPLINARY INFORMATION

There is no disclosable disciplinary information with respect to all individual Private Advisors employees, including executive officers and members of Private Advisors’ investment committee. Please see Private Advisors’ Form ADV Part 1, Item 11 and accompanying Disclosure Reporting Pages (“DRPs”) for disclosure about disciplinary information related to NYL, an advisory affiliate of Private Advisors. As disclosed in Item 4 above, NYL owns a substantial portion of Private Advisors through NYLIM, an intermediate subsidiary of NYL. Given this ownership structure, NYL is an “Advisory Affiliate” of Private Advisors and has the power to exercise a controlling influence over Private Advisors’ management and policies. Private Advisors is therefore required to disclose NYL’s disciplinary information and disciplinary history.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. Broker-Dealer Registration Status

Private Advisors is affiliated with NYLIFE Distributors and NYLIFE Securities, LLC, both of which are registered broker-dealers.

B. Futures Commission Merchant, Commodity Pool Operator or Commodity Trading Adviser Registration Status

Private Advisors is registered as a Commodity Pool Operator and the following individuals are registered as Associated Persons with the National Futures Association: Benson Blake, Jr., Timothy Gerard Berry, Tod Keith Childress, Macon Hubbard Clarkson, Bryan Durand, Charles HG Honey, Charles Marion Johnson, III, Jeremy Daniel Kokemor, Won Chul Lee, Christopher G. Mackay, Louis W. Moelchert, Jr., Louis W. Moelchert, III, Stephen Roy Simpkin, and Scott Theodore White.

C. Material Relationships or Arrangements with Industry Participants

Please see above for disclosure related to affiliated broker-dealers, Private Advisors' commodity pool operator status and a list of its associated persons.

Private Advisors discloses the following related persons in Schedule D, Section 7.A of its Form ADV Part 1: (i) NYLIM, an SEC-registered investment adviser; (ii) GoldPoint Partners LLC, an SEC-registered investment adviser; and (iii) MCF Capital Management, LLC, an SEC-registered investment adviser. In addition to those related persons disclosed in Schedule D, Section 7.A of its Form ADV Part 1, Private Advisors maintains a supplementary list of all of its related persons (include those not listed on Schedule D, Section 7.A due to a lack of: (i) business dealings; (ii) shared operations; (iii) client referrals; (iv) supervised persons; and (v) conflicts of interest). A copy of the full list of related persons is available upon request.

It is also noted that Louis W. Moelchert, III ("Chip Moelchert"), a Partner of Private Advisors, has been appointed a Member of the Board of Managers of GoldPoint Partners LLC, an affiliate of NYL.

As explained in Item 4 above, Private Advisors serves as General Partner to several Funds which are organized as Delaware limited partnerships, and serves as Investment Manager to those Funds which are organized as Cayman corporations. Affiliates of Private Advisors also serve as General Partner to certain Funds, including: PASCBF III GP, LLC, which serves as General Partner to Private Advisors Small Company Buyout Fund III, LP; PASCBF IV GP, LLC which serves as General Partner to Private Advisors Small Company Buyout Fund IV, LP; PASCBF V GP, LLC which serves as General Partner to Private Advisors Small Company Buyout Fund V, LP and Private Advisors Small Company Buyout Fund V- ERISA Fund, LP; PASCPEF VI GP, LP, which serves as General Partner to Private Advisors Small Company Private Equity Fund VI; PACIF GP, LLC, which serves as General Partner to Private Advisors Coinvestment Fund, LP; PACIF II GP, LLC, which serves as General Partner to Private Advisors Coinvestment Fund II, LP; PACIF III GP, LLC, which serves as General Partner to Private Advisors Coinvestment Fund III, LP; Montpelier GP, LLC, which serves as General Partner to Montpelier Fund, LP; PAPEF GP, LLC, which serves as General Partner to Private Advisors Private Equity Fund, LP; Cuyahoga Capital Partners I Management Group, LLC, which serves as General Partner to Cuyahoga

Capital Partners I, L.P.; Cuyahoga Capital Partners II Management Group LLC, which serves as General Partner to Cuyahoga Capital Partners II LP; Cuyahoga Capital Partners III Management Group LLC, which serves as General Partner to Cuyahoga Capital Partners III LP; Cuyahoga Capital Partners IV Management Group LLC, which serves as General Partner to Cuyahoga Capital Partners IV LP; Cuyahoga Capital Emerging Buyout Partners Management Group LLC, which serves as General Partner to Cuyahoga Capital Emerging Buyout Partners LP; and UVF GP, LLC, which serves as General Partner to the Undiscovered Value Fund, LP. Additional affiliates of Private Advisors serve as special limited partners and special general partners to these Funds for various tax or legal reasons.

Private Advisors has a longstanding Conflicts Committee, the objective of the Committee and the role it serves includes: (i) monitoring and reviewing Private Advisors' known and potential conflicts of interest; and (ii) managing such conflicts in a way that protects the interests of Private Advisors' Advisory Clients and investors.

The members, officers, and employees of Private Advisors and its affiliates may sit on the advisory boards of other investment advisors. Certain of the Funds' investment committees may have independent members who are not employees or agents of Private Advisors, but who may be employees of an independent SEC-registered investment adviser. In recognition of such persons' limited, yet substantive, engagement with Private Advisors, all such persons will be subject to Private Advisors' Code of Ethics and conflicts of interest reporting and disclosure regime. Additionally, Private Advisors has not invested, and will not invest in the future, in any private funds managed by or affiliated with such persons' registered investment adviser. Employees of Private Advisors may serve on boards of directors or executive committees, or in other management capacities, at companies in which the Advisory Clients invest, either directly or indirectly. Serving in such a capacity may expose such employee, and by association Private Advisors and the Advisory Clients, to certain limitations on the ability to trade the securities of the issuer company and certain conflicts of interest. As a result of such service, an employee may become aware, from time to time, of material non-public information about the company in which an Advisory Client invests, and the employee's knowledge is likely to be attributed to Private Advisors or its affiliates and the Advisory Client; therefore, an Advisory Client's ability to trade the securities of such company may become substantially restricted. An Advisory Client's ability to buy and sell such securities may be limited to such times as company insiders are permitted to do so. Such limitations may cause an Advisory Client to forgo sales that it would otherwise make, thereby exposing the Advisory Client to losses, or to forgo purchases, thereby exposing the Advisory Client to lost opportunities. Private Advisors, its affiliates and the Advisory Clients may also be subject to Section 16 of the Securities Exchange Act of 1934, as amended, including the disclosure requirements, the restrictions on purchases and sales, and the disgorgement of profits in certain circumstances. An employee serving as a director of a company owned, directly or indirectly, by an Advisory Client may also face a conflict between the fiduciary duties owed by such employee to the Advisory Client and the duties owed to such company. In such circumstances, an employee may act in ways that are in the best interests of such company but not the Advisory Client. Private Advisors maintains internal compliance policies that are intended to minimize the negative effects of such conflicts if they arise, and intends to prevent employees from taking such positions when, in Private Advisors' determination, the potential risks to the Advisory Client outweigh the potential benefits. However, there can be no assurance that permitting the board membership of an employee will not result in less favorable results for the Advisory Clients than if the employee was not permitted to serve in such capacity.

Partners, officers and employees of Private Advisors may have close relationships with senior executives of public or private companies. Such outside senior executives may also invest in the Funds. Such senior executives could seek to exert influence on Private Advisors to invest in such companies or may give Private Advisors information that is not publicly known. Thus, Private Advisors, its partners, officers or

employees might receive material non-public information with respect to such publicly-traded or private companies which could restrict its Advisory Clients from trading in such companies for an extended period of time. With respect to the Direct Investment Funds, the investment team of Private Advisors will directly manage one or more of the segregated portfolios of the Master UVF. In addition, Private Advisors, its affiliates, or their employees may serve in the future as the general partner of or the investment adviser to, and directly manage the assets of, other funds or accounts (“Other Accounts”) with investment objectives and strategies that are similar to those of the Direct Investment Funds. Private Advisors and its affiliates may also give advice or take action with respect to the Other Accounts that differs from the advice given or actions taken with respect to the Direct Investment Funds. Further, Private Advisors members and employees, as well as the UVF Portfolio Managers, may continue to be involved in other business activities, including the management of other domestic and offshore funds and accounts with similar investment objectives and investment strategies. While the parties intend to devote such time to the business of the Direct Investment Funds as they consider necessary, conflicts may arise in the allocation of their time among the various funds and accounts managed by Private Advisors.

D. Material Conflicts of Interest Relating to Other Investment Advisers

Please see responses above.

While Private Advisors does select investment advisers for investments made by the Funds (as disclosed elsewhere in this ADV), it does not receive direct or indirect compensation from those advisers related to the advisers selection. Rather, Private Advisors is solely compensated by Investors in the Funds managed by Private Advisors.

Members, officers and employees of Portfolio Managers/Portfolio Funds in which the Advisory Clients invest may maintain personal investments in the Funds.

As relating to Private Advisors’ private equity investments, it should be noted that partners, officers, and employees of Private Advisors may become advisory board members and Private Advisors may invest in Portfolio Funds for which one or more of Private Advisors’ professionals serves as an advisory board member. It should be noted that such professionals may become members of the advisory board of a Portfolio Fund in which an Advisory Client invests as a result of such investment. Although Private Advisors believes that these positions are consistent with each respective Advisory Client’s investment strategy, and are generally beneficial to it, an advisory board member's fiduciary duty to the Portfolio Fund may conflict with the interests of Private Advisors’ Advisory Clients.

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

A. Private Advisors' Code of Ethics – Overview

Private Advisors has adopted a Code of Ethics (the “Code”) that it reasonably believes complies with the requirements of Advisers Act Rule 204A-1 and Rule 17j-1 under the Investment Company Act of 1940 and ensures that the personal securities transactions of Private Advisors' Access Persons do not conflict with transactions recommended to Private Advisors' Advisory Clients. Private Advisors is of the view that high ethical standards are essential for the success of Private Advisors and to maintain the confidence of Private Advisors' Investors. Private Advisors is of the view that its long-term business interests are best served by adherence to the principle that Advisory Client interests come first.

The Code is designed to (i) prevent improper personal trading by Private Advisors' Access Persons; (ii) prevent improper use of material, non-public information about securities recommendations made by Private Advisors or securities holdings of Private Advisors' Advisory Clients; (iii) identify conflicts of interest; and (iv) provide a means to resolve any actual or potential conflict in favor of Advisory Clients.

Private Advisors' Code contains numerous requirements of Access Persons, including, but not limited to:

- Restricted List. Access Persons are prohibited from purchasing any security which is on Private Advisors' current restricted list. An updated copy of the restricted list is routinely provided to Access Persons.
- Other Restricted Securities. If any Access Person acquires information about the plans of any Portfolio Manager of a Portfolio Fund invested in by any of Private Advisors' Advisory Clients, or any Advisory Client itself, to purchase or sell a particular security, then such Access Person may not effect a transaction in such security unless such Access Person receives the prior, written approval of the Chief Compliance Officer.
- Access Person Reporting Requirements. Private Advisors requires its Access Persons to report certain of their securities transactions on a quarterly basis and disclose certain of their securities holdings upon becoming an Access Person and on an annual basis thereafter, as required by Advisers Act Rule 204A-1.
- Access Person Personal Trading – Preclearance. An Access Person must obtain the prior written approval of the Chief Compliance Officer before engaging in the following transactions: (i) direct or indirect purchase or sale of beneficial ownership in a security in a limited offering (which includes investments in hedge funds); and (ii) acquisition of securities through an initial public offering.
- Code – Oversight. Access Persons are required to sign and acknowledge their familiarity with the Code by signing an annual acknowledgement. Private Advisors has authority to impose such sanctions or remedial action as it deems appropriate or to the extent required by law upon the discovery of any violation of the Code.

A copy of Private Advisors' Code is available upon request.

B. Securities that the Investment Adviser or a Related Person Has a Material Financial Interest

Private Advisors has a financial ownership interest in the Funds and receives a management fee and in some cases a performance-based fee or allocation for its services to the Funds (as disclosed elsewhere in this ADV). The fact that Private Advisors has a financial ownership interest in such Funds creates a potential conflict in that it could cause Private Advisors to make different investment decisions than if it did not have such a financial ownership interest. Further, as noted in Item 6, the possibility that Private Advisors could receive performance-based compensation creates a potential conflict of interest in that it may create an incentive for Private Advisors to make more speculative investments than it might otherwise make.

Certain of Private Advisors' affiliates, officers and employees have investments in one or more of the Funds and, as such, have a financial interest in the Funds. This creates a potential conflict of interest because the fact that such persons have investments in the Funds could lead Private Advisors to make different investment decisions than if such persons did not have such investments.

In general, Private Advisors will not, directly or indirectly, while acting as principal for its own account, knowingly sell any security to, or purchase any security from, an Advisory Client and generally does not contemplate engaging in agency-cross transactions. It should be noted that investment personnel may, from time to time, make a determination that certain holdings in Advisory Client portfolios must be rebalanced and reallocated to bring the asset allocation for the Advisory Clients back to target allocations (which involves a "sell" from one account and a "buy" on a different account) or for any other purpose as deemed appropriate. In such an event, a determination will be made independently for each Advisory Client involved in the contemplated transaction based upon the Advisory Client's investment/risk parameters, assets under management, liquidity and portfolio exposure. These "cross-transactions" may be accomplished via an assignment and assumption of a Portfolio Fund's interests, with another one of its Advisory Clients. On occasion, Private Advisors may, at its discretion, exclude certain Advisory Client accounts from such rebalancing transactions in order to adhere to the proscriptions of ERISA. In addition, each cross trade between accounts will be executed on a fair and equitable basis.

Please also see the conflicts of interests disclosed in response to Item 10.

Private Advisors seeks to address these potential conflicts through the use of:

- A robust Code of Ethics, which is described above;
- A requirement that Private Advisors' employees complete questionnaires detailing their potential conflicts (which are carefully monitored) in conjunction with Private Advisors' Outside Business Activities Policy;
- A requirement that, as applicable, employees recuse themselves from decisions related to potential conflicts of interest.
- Disclosure of potential conflicts of interests and risks in this Brochure as well as in Fund offering documents provided to prospective Investors.

C. Investing in Securities that the Investment Adviser or a Related Person Recommends to Clients

The partners, officers, and employees of Private Advisors and its affiliates may buy and sell, for their own account or for the account of other Advisory Clients, currencies, securities, and other financial instruments, in each case of the same or a similar type to those bought or sold on behalf of the Advisory Clients. Furthermore, for the avoidance of doubt, there have been instances whereby principals of Private Advisors have made direct investments in financial instruments that were also financial instruments held in a Portfolio Fund managed by an underlying Portfolio Manager.

Private Advisors and its affiliates may give advice and recommend the purchase or sale of currencies, securities, and other financial instruments, or buy or sell such currencies, securities, and instruments for their own account or that of other Advisory Clients, which advice or instruments may differ from advice given to, or instruments recommended or bought or sold for, the Advisory Clients, even though their investment objectives may be the same or similar.

In addition, it should further be noted that in relation to investment management services to its Advisory Clients, there may be instances where Private Advisors pursues an investment opportunity through normal business channels that could potentially result in a transaction where an Advisory Client is purchasing a financial instrument from an underlying Portfolio Manager in which other Advisory Clients of Private Advisors are invested.

The securities portfolio and liquid assets of each Fund will not be commingled with other securities and liquid assets managed by Private Advisors or its affiliates, except to the extent that the assets of a Fund will be commingled with the assets of other feeder funds, if any, through the use of a master/feeder structure. Notwithstanding the foregoing, Private Advisors and its affiliates may invest assets of the Advisory Clients in investment vehicles managed or advised by Private Advisors or its affiliates, but in such case, will waive the management and/or incentive fee at the investee fund level in relation to such investments made by an Advisory Client, in order to avoid duplicative management and incentive fees.

As explained in above, Private Advisors seeks to address these potential conflicts of interest through a robust Code of Ethics.

D. Conflicts of Interest Created by Contemporaneous Trading

See responses to items above.

ITEM 12 – BROKERAGE PRACTICES

A. Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions

1. Research and Other Soft Dollar Benefits

Private Advisors' investment advisory services are primarily focused on a fund of funds strategy and allocating Fund assets among Portfolio Funds. As a result, Funds of Funds do not engage in direct trading activity and Private Advisors (and its affiliates) do not select or recommend broker-dealers for Funds of Funds transactions.

However, the Portfolio Managers are authorized to determine the broker or dealer to be used for each securities transaction for the Portfolio Funds. Private Advisors has no direct control over any Portfolio Manager's best execution review processes or brokerage arrangements entered into by the managers. It is expected that Portfolio Managers will allocate brokerage business generally on the basis of best available execution and in consideration of such brokers' provision of brokerage, research and related services (but no absolute assurances can be made in that respect).

Similarly, with respect to the Direct Investment Funds, the UVF Portfolio Managers may utilize research services obtained by the use of commissions arising from portfolio transactions and, therefore, the Direct Investment Funds may not, in any particular instance, be the direct or indirect beneficiaries of the research, services or equipment provided. Research and related services furnished by brokers may include written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; statistics and pricing services; discussions with research personnel; data bases; fees for attendance at industry conferences; and other news, technical and telecommunications services utilized in the investment management and execution process.

In addition to the above, on rare occasions, Portfolio Funds may make distributions of in-kind securities to one of the Advisory Clients and Private Advisors must then attempt to liquidate such assets. To the extent that a Portfolio Fund distributes highly illiquid assets to an Advisory Client, Private Advisors will make a decision with respect to those assets that it reasonably believes is in the best interests of Investors. When such assets are managed directly by Private Advisors, Private Advisors will (as applicable) seek to achieve best execution when determining the brokers through which trades are routed and the transaction costs at which securities transactions are executed. In such circumstances, it should be noted that Private Advisors may elect to direct brokerage business to a limited number of firms (which may be one) which it believes have a strong reputation. Such firms may not always charge the lowest commission rates, but Private Advisors is of the view that this approach is consistent with what is in the best interest of Advisory Clients and is consistent with best execution.

In recognition of its duty to seek best execution on behalf of its Advisory Clients, Private Advisors has established a Brokerage Committee which meets as needed to review direct trading activities in efforts to ensure that Private Advisors' brokerage business for Advisory Clients is consistent with stated procedures and generally in accordance with its duty to obtain best execution.

1. Brokerage for Client Referrals

Private Advisors does not recommend or select broker-dealers for its clients on the basis of client referrals from a broker-dealer or third party.

2. Directed Brokerage

Private Advisors does not recommend, request or require that a client direct Private Advisors to execute transactions through a specified broker-dealer.

B. Order Aggregation

When appropriate, Private Advisors may, but is not required to, aggregate Advisory Client orders to achieve more efficient execution or to provide for equitable treatment among accounts. An Advisory Client's participation in aggregated trades will be allocated securities based on the average price achieved for such trades. It is possible that Private Advisors or its affiliates could identify investment opportunities that are suitable for multiple Advisory Clients. In such instances, Private Advisors' Conflicts Committee may be called upon to discuss the investment opportunities with Private Advisors' investment personnel to determine the course of action which is best for affected Advisory Clients. In addition, it should be noted that Private Advisors and its affiliates make investment decisions on behalf of the Advisory Clients on the principles of fairness and equity. Additional factors that Private Advisors and its affiliates may take into account include, among others, the nature and size of the proportion of securities issued or proposed transaction; the investment objectives and restrictions on the Advisory Clients; the relative size and cash availability of the applicable strategy within an Advisory Client; tax consequences; legal restrictions, including those that may arise in foreign jurisdictions; the degree of specialization of the Advisory Client relative to the investment offered; and other factors considered relevant by Private Advisors or its affiliates at the time of the investment.

ITEM 13 – REVIEW OF ACCOUNTS

A. Frequency and Nature of Review of Client Accounts or Financial Plans

Active accounts are under continuous review with regard to investment policy, the suitability of the investments used to meet the policy objectives, and the investment objectives of the particular account. Portfolio reviews for hedge fund investment partnerships are conducted at least monthly by the principals of Private Advisors, Mr. Louis W. Moelchert, Jr., Mr. Charles Johnson, and Mr. Louis W. Moelchert, III, as well as by Partners, Mr. Timothy Berry, Mr. Charles Honey, and Mr. Tripp Taliaferro, and Managing Directors, Ms. Macon Clarkson, Ms. Laura Baird, and Mr. Bryan Durand. Portfolio reviews for private equity fund investment partnerships are conducted at least quarterly by the principals of Private Advisors, Mr. Louis W. Moelchert, Jr., Mr. Gordon Hargraves, and Mr. Louis W. Moelchert, III, as well as by Partners, Mr. Robert E. Voeks, III, Mr. Chris Stringer, Mr. Bart Shirley and Mr. Chris Hanrahan, by Managing Directors Ms. Kee Tilghman Rabb and Mr. Todd Milligan. Further, Private Advisors reviews each account of the Direct Investment Funds regularly.

In addition, Private Advisors has established a formal Risk Committee, which is a subset of the Hedge Fund Investment Committee and is led by Mr. Berry. The Risk Committee is responsible for developing risk management policies for Private Advisors and oversight as to their implementation. The Risk Committee meets on a periodic basis, but at least once per quarter, to evaluate and review risk management models. The Risk Committee may meet on an ad hoc basis to review changes to policy or established risk management models requested by the Hedge Fund Investment Committee. The Risk Committee reviews individual and aggregate risks, including: Portfolio Manager correlations and concentrations; attribution analysis; Portfolio Manager over/under weights versus target; strategy over/under weights versus target; and a given Fund's liquidity profile.

B. Factors Prompting Review of Client Accounts Other than a Periodic Review

The Risk Committee may meet on an ad hoc basis to review changes to policy or established risk management models requested by the Hedge Fund Investment Committee.

C. Frequency and Nature of Reports Provided to Clients

Fund Investors receive at least quarterly written Fund financial statements, capital account statements and a performance update, as well as annual audited financial statements.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

A. Economic Benefits for Providing Services to Clients

Private Advisors does not receive economic benefits from non-clients for providing investment advice and other advisory services.

B. Compensation to Non-Supervised Persons for Client Referrals

Private Advisors has entered into arrangements with certain firms for the purpose of obtaining client referrals. A portion of the fees received from such referred Investors is shared with the referring firm. Any such payments are disclosed to the referred Investor in compliance with Advisers Act Rule 206(4)-3 and relevant SEC guidance. Private Advisors may also enter into placement agreements with registered broker dealers to distribute the Funds advised by Private Advisors. All arrangements with solicitors must be approved by Private Advisors' Chief Compliance Officer or designee and any approved solicitor must be an appropriately registered broker-dealer with the Securities and Exchange Commission, Financial Industry Regulatory Authority, and licensed in appropriate states. It should be noted that a consulting firm or an affiliate of such consulting firm, which provides family office services to certain executives of Private Advisors, may from time to time refer clients to Private Advisors, for which no referral fee is charged or paid.

ITEM 15 – CUSTODY

Private Advisors is deemed to have custody of the assets of the Funds by virtue of its (or its affiliate's) role as general partner or investment manager to the Funds. Quarterly account statements for Investors in the Funds are sent by the Funds' administrators. Investors should carefully review those statements.

To the extent necessary, Private Advisors maintains the assets of certain Funds in accounts with a "qualified custodian" pursuant to Rule 206(4)-2 under the Advisers Act and notifies Investors in writing of the qualified custodian's name, address and the manner in which the assets are maintained promptly when the account is opened and following any changes to this information. The primary qualified custodians presently utilized by Private Advisors (as of the date of this ADV) are JPMorgan Chase Bank, The Bank of New York Mellon, and RBC Capital Markets. It should be noted that Private Advisors has also secured a line of credit for certain Funds with Société Générale, whereby Société Générale is deemed a secured party to certain assets of these Funds. Private Advisors has also entered into tri-party control agreements with Société Générale and BNY Mellon related to these line of credit arrangements.

Private Advisors is of the view that it does not have custody of the client funds and securities in the Managed Accounts.

ITEM 16 – INVESTMENT DISCRETION

Private Advisors has discretionary authority to manage securities accounts on behalf of its Advisory Clients. Private Advisors is authorized to make purchase and sale decisions for Advisory Clients, and is also authorized to invest Advisory Client assets either in direct investment funds with UVF Portfolio Managers or with Portfolio Funds and Portfolio Managers. As explained in Item 4. above, the investment strategy of each Fund is set forth in detail in such Fund's offering document. Investors in the Funds do not have the ability to impose limitations on Private Advisors' discretionary authority. Prospective Investors are provided with an offering document prior to their investment and are encouraged to carefully review the offering document and to be sure that the proposed investment is consistent with their investment goals and tolerance for risk. Prospective Investors must also execute a subscription agreement, in which they make various representations, including representations regarding their sophistication and ability to assess and bear the risks of investment in a high-risk investment pool. Further, prospective Investors in Funds organized as domestic partnership must execute a limited partnership agreement.

Private Advisors' discretion to manage securities accounts on behalf of the RICs is more limited than in the case of the Funds. The RICs investment activities are governed and limited by the policies adopted by the Board of Trustees of the RICs.

ITEM 17 – VOTING CLIENT SECURITIES

A. Policies and Procedures Relating to Voting Client Securities

Private Advisors understands and appreciates the importance of proxy voting and will generally manage the receipt of incoming proxies, maintain a log of all proxies, and place votes based on established policies and guidelines. In the course of exercising discretion to vote a proxy, Private Advisors will vote any such proxies in the best interests of the Advisory Clients and in accordance with the procedures outlined below (as applicable). Investors do not have the authority to direct Private Advisors' vote in particular situations (with the exception of the RICs, which follow different proxy guidelines).

Prior to voting any proxies, Private Advisors' Proxy Voting Committee will determine if there are any conflicts of interest related to the proxy in question. If a conflict is identified, the Proxy Voting Committee will then make a determination (which may be in consultation with outside legal counsel) as to whether the conflict is material or not. If no material conflict is identified pursuant to its set procedures, the Proxy Voting Committee will, following discussion with Private Advisors' investment personnel, make a decision on how to vote the proxy in question. Private Advisors also has the flexibility to abstain from a particular proxy vote when it is determined to be in the best interest of investors. In certain instances, Private Advisors may utilize and empower a third party vendor to vote certain proxies of the Advisory Clients in certain situations (including situations where a material conflict of interest is identified).

Please contact Private Advisors if you have any questions about these procedures or if you would like to be provided with a copy of our procedures. Also, please let us know if you would like any detailed information about how proxies are actually voted.

B. No Authority to Vote Client Securities and Client Receipt of Proxies

Private Advisors does not have the authority to vote on behalf of certain of its non-discretionary Advisory Clients. However, Private Advisors may make recommendations to such non-discretionary accounts with respect to any proxies received.

ITEM 18 – FINANCIAL INFORMATION

Private Advisors is not required to include a balance sheet for its most recent fiscal year, is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to clients, and has not been the subject of a bankruptcy petition at any time during the past ten years.