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March 31, 2014

## **Item 1 – Cover Page**

This Brochure provides information about the qualifications and business practices of TRG Management LP. If you have any questions about the contents of this Brochure, please contact us at (212) 984-2900. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

TRG Management LP is an investment adviser registered with the United States Securities and Exchange Commission. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about TRG Management LP also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

This Brochure is updated at least annually to reflect current information about TRG Management LP. Only specific material changes that are made to the Brochure since its last annual update are summarized in this Item. The date of the Brochure's last annual update was March 22, 2013.

In December 2013, TRG completed its acquisition of Citi Venture Capital International ("CVCI"), an emerging market global private equity investment business, including the acquisition of the general partners of certain CVCI investment funds, which general partners have become relying advisers of TRG Management LP.

In the event of a future material change, we will provide you with a new Brochure as necessary based on changes or new information, without charge. Copies of this Brochure may be requested by contacting Jay Cohen, General Counsel and Chief Compliance Officer at (212) 984-2935 or [jay.cohen@rohatyngroup.com](mailto:jay.cohen@rohatyngroup.com).

Additional information about TRG Management LP is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with TRG Management LP who are registered, or are required to be registered, as investment adviser representatives of TRG Management LP.

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## Item 4 – Advisory Business

TRG Management LP was founded in 2002 by Nicolas Rohatyn as an alternative asset management firm focused exclusively on investing in the global emerging markets. TRG Management LP, together with its relying advisers that are identified in Section 1.B of Schedule D of this Form ADV (the “Relying Advisers”), are hereinafter referred to as “TRG” or the “firm”.

TRG is comprised of senior professionals with extensive experience in the emerging and global markets. TRG’s asset management services are supported by a robust business management platform with expertise in risk management, finance and accounting, legal and compliance, global operations and custody, marketing, investor relations and information technology. TRG has offices in New York, Bangkok, Buenos Aires, Jakarta, Kuala Lumpur, Hong Kong, Lima, London, Madrid, Mexico City, Montevideo, Mumbai, New Delhi, São Paulo, Santiago, Shanghai and Singapore.<sup>1</sup>

The principal owner and general partner of TRG Management LP is TRG Management Principals LP. Nicolas Rohatyn indirectly owns 25% or more of the firm.

TRG provides discretionary investment management and supervisory services, defined as giving continuous advice to a client or making investments for a client based on the individual needs of the client. TRG provides these services to a number of pooled investments vehicles, including investment limited partnerships (“LPs”) and Cayman Islands exempted companies (“CIECs” and together with LPs and other pooled investment vehicles, the “Funds”), and separately managed accounts (“SMAs”). TRG typically provides its discretionary advisory services to the Funds either as the general partner of the Fund (in the case of LPs) and/or pursuant to an investment management agreement. TRG also provides investment advisory services on a non-discretionary basis. As of December 31, 2013 TRG and its affiliates managed \$6,694,075,814<sup>2</sup> of discretionary assets and \$220,399,816 of non-discretionary assets on behalf of its clients.

The Funds are not required to register as investment companies under the Investment Company Act of 1940, as amended (the “Investment Company Act”) generally in reliance upon the exemption provided in Section 3(c)(7) of the Investment Company Act.

TRG manages the Funds and SMAs on a discretionary or non-discretionary basis, as applicable, in accordance with the terms and conditions of each Fund’s or SMA’s investment management agreement and organizational documents, as applicable. TRG employs a multi-strategy investment approach primarily in emerging market securities and currencies. TRG focuses on emerging markets and offers products across asset classes. TRG manages three primary business lines: fixed income, hedge funds, and private markets. The firm has built out its expertise in a full range of emerging market investment disciplines and is able to offer investors both traditional forms of

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<sup>1</sup> Includes offices established and managed by majority-owned subsidiaries of TRG Management LP, including ARCH Capital Management Co. Ltd. (“Arch”) – a 50%-owned subsidiary of TRG Management LP, Capital Advisors Partners Asia SDN BHD (“CapAsia”) – a 60%-owned subsidiary of TRG and the Relying Advisers, and an office shared with the sub-advisor to a TRG-sponsored fund.

<sup>2</sup> Includes assets managed by ARCH and CapAsia.

exposure to emerging markets as well as customized solutions. Moreover, while the strategies pursued by the Funds are detailed in the relevant offering memorandum, SMAs managed by TRG typically permit the client to more closely tailor investment guidelines and restrictions to their unique investment objectives and risk thresholds.

All discussions of TRG's practices in this Brochure are qualified in their entirety with respect to each SMA or Fund by the applicable investment management agreement or offering and organizational materials, respectively, governing the SMA client's or Fund's account with TRG, including without limitation all practices pertaining to the account's investments, strategies used in managing the account, fees and other costs associated with an investment in the account, and conflicts of interest faced by TRG and its affiliates in connection with the management of the account.

## **Item 5 – Fees and Compensation**

TRG is paid fees for portfolio management of the Funds and SMAs it manages (the "Management Fees"). Generally, Management Fees for the Funds are charged quarterly or semi-annually in advance, and are typically equal to 1.0% – 2.0% per annum of the net asset value of an investor's interest in the Funds, while Management Fees charged to SMAs are subject to individualized negotiation with each such client.

In addition, most Funds and SMAs that pursue hedge fund strategies pay performance-based compensation to TRG (the "Hedge Fund Performance Compensation"). Hedge Fund Performance Compensation is calculated based on a percentage of the net profits of the Fund or SMAs at the end of each fiscal year, and is typically 20% of the allocable share of net profits subject to a loss carry forward provision (and in some cases a hurdle as well).

In measuring an investor's net profits for the calculation of Hedge Fund Performance Compensation during the relevant period, both realized and unrealized gains and losses are typically included, except with respect to certain assets for which TRG determines it is not appropriate to do so. Specifically, in the case of illiquid investments, only realized gains or losses are taken into account in measuring net profits for Hedge Fund Performance Compensation purposes.

Generally, Funds and SMAs that pursue private equity strategies utilize detailed waterfalls for the apportionment of proceeds from disposition of Fund or SMA investments, or income from Fund or SMA Investments, as set forth in each such Fund's or SMA's governing documents or management agreement. Typically, after providing for the return of invested capital to investors, such waterfalls provide for the allocation and distribution of 20% of realized net profits to TRG (the "Private Equity Carried Interest" and together with the Hedge Fund Performance Compensation, the "Performance Compensation"). In some cases, the waterfall may first distribute a preferred return to investors before distributing any Private Equity Carried Interest to TRG.

The calculation and payment of the Performance Compensation applicable to a particular interest in a Fund or a SMA is described in detail in the respective offering/management documents. All Fund investors are requested to refer to the applicable Fund offering documents for a full description of the Management Fees and Performance Compensation to be charged to the different

interests/shares offered within each Fund, as well as any applicable lock-up periods and early redemption/withdrawal fees.

Please refer to Item 6 for a discussion as to how Performance Compensation may create an incentive for TRG to cause the Funds and SMAs to make investments which may be riskier or more speculative than those which would be made under a different fee arrangement.

## **GENERAL INFORMATION ON FEES**

Payment of Fees: The Management Fees and Performance Compensation payable to TRG by each Fund is deducted directly from such Fund. SMA clients may elect to be billed for Management Fees and Performance Compensation or to authorize TRG to directly debit fees from such SMA.

Negotiability of Fees: In certain circumstances, fees may be negotiable. TRG may, as agreed to with the investor on a case-by-case basis, charge a Management Fee and/or Performance Compensation that is lower than, or otherwise on different terms than, those described above.

Termination of Advisory Relationship: Upon termination of any account, any prepaid, unearned Management Fees will be promptly refunded. Investors in each Fund are requested to refer to the applicable Confidential Memorandum and offering documents of the Fund for complete information on the applicable redemption/withdrawal terms and any applicable “lock-up” periods.

Mutual Fund Fees and Expenses: To the extent a Fund or SMA invests in mutual funds (open-end and closed-end) or exchange traded funds (“ETFs”), all fees paid to TRG for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund’s prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee.

Brokerage: TRG’s Management Fees and Performance Compensation are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which are incurred by the SMA or Fund. Charges may be imposed on the SMA or Fund by custodians, brokers and other third parties, such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

Item 12 further describes the factors that TRG considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

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

The Investment Advisers Act of 1940, as amended (the “Advisers Act”), restricts the payment of performance-based fees, such as Performance Compensation, to investment advisers registered under such act. However, SEC Rule 205-3 permits the payment of performance-based compensation to registered investment advisers provided that the clients (including investors in investment vehicles such as the Funds) meet certain financial qualifications. The interests offered in the Funds and the SMAs that TRG manages are structured to comply with this rule, and

accordingly TRG clients meet the qualifications set forth in Rule 205-3. In some cases, TRG has entered into certain performance fee arrangements with qualified clients: such fees are subject to individualized negotiation with each such client. TRG will structure its performance or incentive fee arrangements subject to Section 205(a)(1) of the Advisers Act and Rule 205-3.

Performance-based fee arrangements may create an incentive for TRG to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. In order to counter the incentive to undertake more speculative investment strategies than as agreed to with the client, TRG adheres to the investment policies and guidelines outlined in the Funds' and SMAs' offering memoranda and investment management agreements, as applicable. TRG also employs an approach to risk management that is comprehensive, disciplined and guided by the principle of maximum prudent transparency. Please refer to Item 8 for a more detailed discussion on the firm's risk management practices.

Performance fee arrangements may also create an incentive to favor higher fee-paying accounts over other accounts in the allocation of investment opportunities. TRG has procedures designed and implemented to ensure that all clients are treated fairly and equitably, and to prevent this conflict from influencing the allocation of investment opportunities among clients. Please refer to Item 12 for a more detailed discussion on the firm's allocation and order aggregation procedures.

Because the calculation of Hedge Fund Performance Compensation may be based on unrealized gains, and TRG has discretion in valuing a Fund's or a SMA's assets when it determines that market prices are unavailable or inaccurate, such fees may create an incentive for TRG to overvalue assets in order to accrue greater Hedge Fund Performance Compensation. In order to counter this incentive, TRG has enacted and adheres to a valuation policy outlined in the firm's Compliance Manual. Pursuant to this policy, TRG values its portfolio three times a day at regionally significant market closes (i.e., Asia, Europe and New York) and utilizes a combination of direct market pricing (e.g., Bloomberg, Thomson Reuters) to price listed securities and model-derived valuations for OTC positions. In addition to its daily flash P&L calculations, TRG undertakes a month-end pricing process in which all of the positions in each Fund and SMA are priced and tested against internally derived thresholds. The Fund or SMA administrator, or other designated third party service provider, also independently prices and tests the entire liquid portfolio against their own internal pricing thresholds. Any pricing discrepancies are investigated until an agreeable valuation is reached. Please refer to Item 15 for disclosure on custody and how the administrator for the Fund or SMAs sends investors statements valuing the client's investment assets.

## **Item 7 – Types of Clients**

TRG provides investment advisory services to private investment funds and separately managed accounts on behalf of U.S. and international institutions and individuals. TRG typically imposes a \$5,000,000 minimum initial investment amount for each Fund. However, a Fund may accept investors that make smaller initial investments in TRG's discretion. To invest in a Fund, TRG generally requires the prospective investor to complete and submit a subscription agreement binding them to the terms of a Fund's governing documents. For SMAs, TRG in its sole discretion may impose a minimum portfolio size for investment advisory services provided to a SMA. To establish a SMA, TRG generally requires the prospective client to execute an investment management agreement that sets forth the terms under which TRG will provide its services.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

Investing in securities involves risk of loss that clients should be prepared to bear. Investments in emerging markets entail significant risks not typically associated with investments in more developed markets. Prospective investors should carefully consider these risks in making their investment decision and should consult their own legal, tax and financial advisers before making an investment. Particular risks of investing in emerging markets involve exposure to economic structures that generally are less diverse and mature, and to political systems that have less stability than those of developed countries. Other characteristics of emerging markets that may affect investment include certain national policies that may restrict investment by foreigners and the absence of developed legal structures governing private and foreign investments and private property. The typically small size of the markets for securities of issuers located in emerging markets and the possibility of a low or non-existent volume of trading in those securities may also result in a lack of liquidity and in price volatility of those securities. Certain emerging market countries are known to experience long delays between the trade and settlement dates of securities purchased or sold. In addition, there is a possibility of expropriation, nationalization, confiscatory taxation and limitations on the use or removal of funds or other assets of the Fund or SMA, including the withholding of dividends. An investment in emerging markets should not constitute a substantial proportion of an investor's entire investment portfolio and may not be appropriate for all investors.

TRG believes that risk management is a central feature of investment performance in emerging markets. TRG identifies, quantifies and monitors risk for each investment along several dimensions, to the extent practicable, including financial, market, operational, credit, legal, counterparty and liquidity risk. This process is intended to identify sources of risk particularly relevant to cross-border exposure where differences in regulatory frameworks, and market and industry practices can be incremental sources of risk. For the hedge fund portfolios, TRG normally measures risk primarily based on "value at risk" under various, often extreme, market conditions and scenarios. Typically, the risk taken is expected to be higher in periods during which TRG anticipates greater investment opportunity, and lower in periods during which TRG anticipates lesser investment opportunity. Allowing risk to vary based on the opportunity set is anticipated to be superior to a process that forces a constant level of risk even when inputs suggest that there is lower than average opportunity.

Without limitation to the foregoing, each of TRG's three primary business lines may contain additional material risks, including but not limited to those outlined in the bullet points below. For a more complete discussion of the risk for each Fund or SMA, as applicable, clients should refer to the offering/governing documents for the strategy in question.

- Hedge funds or SMA products may utilize financial instruments such as forward contracts, currency options, stock index futures and options and interest rate swaps, caps and floors both for investment purposes and to seek to hedge against fluctuations in the relative values of the portfolio as a result of changes in currency exchange rates, market interest rates and equity prices. Hedging against a decline in the value of a portfolio position does not eliminate fluctuations in the values of portfolio positions or prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the portfolio positions' value. Such hedging transactions also limit the opportunity for gain if the value of the portfolio position should



increase. Moreover, it may not be possible for the Fund or SMA to hedge against an exchange rate, interest rate or equity price fluctuation that is so generally anticipated that the Fund or SMA is not able to enter into a hedging transaction at a price sufficient to protect from the decline in value of the portfolio position anticipated as a result of such a fluctuation.

- Private equity products may be affected by general economic and market conditions, as well as by changes in laws, currency exchange controls, and national and international political and socioeconomic circumstances. A sustained downturn in the regional focus or global economy (or any particular segment thereof) could adversely affect the Fund's profitability, impede the ability of the Fund's portfolio companies to perform under or refinance their existing obligations, and impair the Fund's ability to effectively exit its investment on favorable terms. Any of the foregoing events could result in substantial or total losses to the Fund in respect of certain investments, which losses will likely be exacerbated by the presence of leverage in a portfolio company's capital structure.
- Inflation-linked bond products can be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls and national and international political circumstances. These factors may affect the level and volatility of securities' prices and the liquidity of the Fund or SMA's investments. Volatility or illiquidity could impair the Fund or SMA's profitability or result in losses.

Please refer to Item 4 for a description of the methods of analysis and investment strategies utilized by TRG in its management of the SMAs and Funds.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of TRG or the integrity of TRG's management. As of the date hereof, TRG knows of no legal or disciplinary events that would be material to your evaluation of TRG or the integrity of TRG's management.

## **Item 10 – Other Financial Industry Activities and Affiliations**

TRG is affiliated through ownership and control with TRG Allocation LLC, which acts either by itself or through one or more of its subsidiaries or affiliates, as general partner or sole holder of the management shares of certain of the Funds and generally receives Performance Compensation. Please refer to Item 6 for a description of the conflicts of interest created by Performance Compensation and how TRG addresses them.

TRG has several overseas subsidiaries that perform a variety of services on behalf of TRG, including portfolio management, research, deal sourcing, trading, risk analysis, operations, marketing, investor relations and fund accounting. TRG enters into services agreements with each of its overseas subsidiaries to ensure such services are provided at arms-length. TRG is also affiliated with TRG Management Principals LP, TRG Management LP's general partner, and TRG Allocation

Principals LLC, TRG Allocation LLC's managing member. None of these related entities create any material conflict of interest with respect to the firm's clients.

TRG Management LP is registered with the U.S. Commodity Futures Trading Commission as a commodity pool operator and a commodity trading advisor.

TRG Management LP is a 50% owner of Arch Capital Management Co. Limited ("Arch"). Arch is a real estate investment manager based out of Honk Kong.

TRG Management LP is a 60% owner of Capital Advisors Partners Asia Pte Ltd. ("CapAsia"). CapAsia is an infrastructure private equity manager based out of Singapore.

## **Item 11 – Code of Ethics**

TRG has adopted a Code of Ethics that sets forth appropriate ethical standards of business conduct that TRG requires of its employees, including compliance with applicable federal securities laws. TRG's Code of Ethics is designed to monitor and protect the interests of its SMA clients and Fund investors, and to prevent conflicts of interest or abuse of TRG's or its employees' position of trust. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, certain restrictions on political contributions, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. Partners, officers and employees of TRG may from time to time have acquired or sold, or may subsequently acquire or sell, for their personal accounts, securities that may also be held, or have been purchased or sold, in the SMA's or Fund's portfolios.

Among other policies and systems of control, TRG's Code of Ethics requires the prior approval of any acquisitions of securities in a limited offering (e.g., private placement), an initial public offering or any personal investment in "reportable" (as defined in the Code of Ethics) securities. TRG's Code of Ethics also includes a holding period on investments, as well as oversight monitoring, enforcement and recordkeeping provisions. To supervise compliance with these and other policies contained in its Code of Ethics, TRG requires that all employees provide initial and annual securities holding reports as well as quarterly transaction reports to the firm's Chief Compliance Officer. All supervised persons at TRG must acknowledge the terms of the Code of Ethics annually, or as amended. The Compliance Department utilizes an automated Code of Ethics module to monitor its employees' attestations and affirmations, and assist with approving various other components of the firm's Code of Ethics.

TRG's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information and protecting the confidentiality of client information.

From time-to-time, certain employees of TRG may hold positions (e.g., directorships) in for-profit (including publicly traded companies) and not-for-profit entities. In the instances where employees may hold positions in publicly traded companies, TRG monitors and may restrict the investment in securities issued by these companies. In addition, TRG's Compliance Department monitors personal securities transactions of these employees to ensure that any such transactions comply with TRG's Code of Ethics and relevant securities laws.

It is TRG's policy that the firm generally will not affect any principal or agency cross securities transactions for client accounts. TRG will also generally not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction.

TRG's Code of Ethics is available to TRG's advisory clients and prospective clients upon request and without charge. Requests should be made to the Chief Compliance Officer at TRG's principal office address set forth on the cover page of this Brochure.

## **Item 12 – Brokerage Practices**

### **A. 1. Research and Other Soft Dollars Benefits**

Although permitted to do so as an internal current operating policy TRG does not engage in "soft dollar" arrangements. In the event that TRG does utilize commissions to obtain third party research, the following provides important information with respect to TRG's policy.

TRG intends that use of commissions or "soft dollars" to pay for research products or services, if any, will fall within the safe harbor for soft dollars created by Section 28(e) of the U.S. Securities Exchange Act of 1934, as amended. In all cases, TRG will make a good-faith determination that the services are used in the investment decision making process, and that total commissions paid to a Broker are reasonable in relation to the value of brokerage and research services provided. If in its judgment the commission is reasonable in relation to the brokerage and research services provided, TRG is authorized to pay a brokerage commission in excess of the commission another Broker would have received for effecting the same transaction.

Research services provided to TRG by Brokers may be used for the benefit of all Funds or SMAs, as the case may be, and do not necessarily solely benefit the Fund(s) or SMAs which generated the commissions.

TRG may place trades with Brokers in return for access to management personnel of companies that TRG is considering as potential investment opportunities. Since TRG may pay an increased commission to the Broker in return for this access, TRG will monitor this as a component of best execution in general, as discussed above. Brokers that TRG selects to execute transactions may from time to time refer clients to TRG. TRG will not make commitments to any Broker to compensate that Broker through brokerage or dealer transactions for client referrals; however, a potential conflict of interest may arise between the client's interest in obtaining best execution on transactions and TRG's interest in receiving future referrals.

### **2. Recommending Broker-Dealers**

As discretionary investment adviser to the Funds and SMAs, TRG is granted the discretionary authority in the relevant offering documents and/or management agreements to determine the brokers, dealers or counterparties (collectively "Brokers") to be used, and the associated commissions or other rates to be paid.

TRG endeavors to select those Brokers which will provide the overall best execution at competitive rates. In placing orders to purchase and sell securities for the Funds or SMAs, TRG typically considers a number of factors in selecting appropriate Brokers including, but not limited to, the overall costs of a trade (i.e., net price paid or received) including commissions, mark-ups, mark-downs or spreads in the context of TRG's knowledge of negotiated commission rates currently available and other current transaction costs; quality and consistency of market access and of execution, including accurate and timely execution, clearance and error/dispute resolution; the Broker's ability to execute transactions of size in both liquid and illiquid markets at competitive market prices without disrupting the market for the security traded; the range of services offered by the Broker, including the quality and timeliness of market information (market color, ideas), the range of markets and products covered, quality of research services provided and recommendations made by the Broker; the Broker's provision of, and access to, companies (e.g., coverage of securities, access to public offerings and research materials); the Broker's responsiveness to queries; the Broker's reputation, financial strength and stability as compared with others; and the Broker's ability to efficiently document and settle trades, as well as the ease of setup and maintenance of the relationship.

In evaluating Brokers for transactions in various structured and derivative products, TRG may consider additional factors deemed relevant including, but not limited to, the range and availability of derivative products offered by the Broker; the operational expertise of the Broker in providing prompt confirmation, documentation, timely settlement and on-going operational support for the derivative products entered into by TRG; and the terms and appropriate documentation of the derivative transactions products by the Broker. While SMA clients may request for TRG to engage certain Brokers, TRG has no contractual obligations with the Funds requiring it to provide minimum amounts of trades to any Broker.

#### B. Aggregation of Orders

At TRG's discretion, TRG will generally execute transactions for Funds and SMAs on an aggregated basis if TRG believes that to do so will allow it to obtain best execution and to negotiate more favorable commissions rates or other transaction costs than might have otherwise been paid had such orders been placed independently. When aggregating orders, all Funds will be treated in a fair and equitable manner.

### **Item 13 – Review of Accounts**

Positions held by the Funds and SMAs to which TRG provides advice are continuously monitored and reviewed by the applicable portfolio manager(s), as well as TRG's risk managers. Funds and SMAs, as the case may be, are reviewed in the context of their stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the Fund or SMA's individual circumstances, or the market, political or economic environment. Position reconciliations to verify and confirm portfolio holdings at the Funds' prime brokers and custodians, as well as OTC counterparties, are also performed by TRG's middle and back office in conjunction with the Funds' administrator, on a daily to monthly basis.

Investors in the Funds and SMAs managed by TRG are provided monthly or quarterly unaudited statements of the value of such investors' interest in the Fund or SMA prepared by the applicable Fund or SMA's administrator, as well as monthly or quarterly newsletters from TRG. Such investors are also provided with annual audited financial statements and any other information necessary to enable each investor to prepare its income tax returns. TRG may also prepare and deliver to such investors, upon request, additional information it deems pertinent. TRG may provide additional information by special agreement with investors.

Please refer to Item 15 for a more detailed discussion about reports provided in connection with custody of client's assets.

### **Item 14 – Client Referrals and Other Compensation**

TRG has entered into referral arrangements with outside parties whereby compensation will be paid by TRG for referrals of SMA clients and Fund investors. At the time of a referral, disclosure required under applicable federal and state laws and regulations will be made to the prospective client or investor that TRG has agreed to pay a fee to the agent for referral services. The Management Fee SMA clients and investors pay to TRG will not be increased due to referral arrangements.

These outside parties are not authorized to provide any investment management services or to render any investment advice to a prospective SMA client or Fund investor on behalf of TRG. Additionally, these outside parties are prohibited from advertising on behalf of TRG.

### **Item 15 – Custody**

Fund investors receive monthly statements (quarterly for private equity clients) from the administrator that maintains client's investment assets, while SMA clients receive statements from their respective custodian directly. Clients should carefully review those statements.

Investors in the Funds receive the applicable Fund's annual financial statements audited by an independent public accounting firm, within 120 days of each year end. TRG urges its Fund investors to carefully review such statements and compare such official administrator and custodial records to the account statements that TRG may provide to you. TRG's statements may vary from

custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

### **Item 16 – Investment Discretion**

Pursuant to the investment management agreements by which TRG agrees to manage each Fund and SMA, TRG typically (but not always) receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. When selecting securities and determining amounts, TRG observes the investment policies, limitations and restrictions of the clients for which it advises.

### **Item 17 – Voting Client Securities**

Glass, Lewis & Co. (“Glass Lewis”) has been appointed as the independent proxy voting agent to vote proxies on behalf of the Funds and may be retained for SMAs at the direction of the client. As such, proxy votes are cast utilizing a pre-established set of policy guidelines based on the recommendations of Glass Lewis. Glass Lewis makes its recommendations based on its independent, objective analysis of the economic interests of shareholders. This process ensures that votes are cast in the best interests of the Funds or SMAs, and helps insulate voting decisions from any potential conflicts of interest.

TRG’s portfolio managers generally act in accordance with the policy guidelines. However, they may override such guidelines if they feel that a Fund investor’s or SMA client’s interests would be better served by doing so. In such cases, TRG has established procedures to ensure that no conflict of interest exists before a vote outside of the policy guidelines is cast. Should any material conflict of interest be identified, however, the portfolio manager would be prohibited from overriding the policy guidelines. TRG generally votes consistently on the same matter when securities of an issuer are held by multiple Funds and SMAs. However, it may vote securities differently on behalf of a given SMA if provided with explicit voting instructions in advance of the particular solicitation by such SMA client.

TRG’s complete proxy voting policies and procedures have been memorialized in writing and are available for investors to review upon request. Additionally, information about how TRG voted proxies in the past will be made available on request.

### **Item 18 – Financial Information**

As of the date hereof, TRG has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.