

Brochure
(Part 2A of Form ADV)



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This brochure provides information about the qualifications and business practices of GB Credit Partners, LLC (“GBCP” or the “Company”). If you have any questions about the contents of this brochure, please contact Julianne Hull, Chief Compliance Officer, at 617-422-6571 or jhull@gbcredit.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.

The Company is registered as an investment adviser with the SEC. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about GBCP also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

The following material changes have occurred since the Company filed its last annual amendment on April 1, 2013:

- May 7, 2013 – an interim amendment was filed to reflect Julianne Hull as the new CCO and to update the Company's website information.
- August 7, 2013 – an interim amendment was filed to reflect the termination of the Company's relationships with Michael McNabb and Apple Lane Group and to update the Company's Boston address.

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Item 4: Advisory Business**A: Firm Description**

GB Credit Partners, LLC (“GBCP” or the “Company”), a Delaware limited liability company formed on April 28, 2003, is wholly owned by its parent company Gordon Brothers Group, LLC (“Gordon Brothers”), a Delaware limited liability company formed on January 4, 1998.

B: Types of Advisory Services

GBCP currently provides investment advisory services on a discretionary basis only to private pooled investment vehicles not registered under the Investment Company Act of 1940, as amended (collectively, the “Funds”).

C: Tailored Services

GBCP can tailor its advisory services to the individual needs of clients. Under certain circumstances, clients may impose restrictions on investing in certain securities or types of securities.

D: Wrap Fee Programs

GBCP does not participate in any wrap fee programs.

E: Client Assets Under Management

As of December 31, 2013, GBCP manages approximately \$382,592,782 in regulatory assets under management, all on a discretionary basis.

Item 5: Fees and Compensation

A. Description

Since GBCP's brochure is delivered only to "qualified purchasers," as defined in Section 2(a)(51)(A) under the Investment Company Act of 1940, as amended, the information requested by **Item 5A** has not been provided.

B. Fee Billing

For 1903 Debt Fund, LP, a Delaware limited partnership, and 1903 Offshore Debt Fund, Ltd., a Cayman Islands limited company (each, a "Debt Fund," and collectively, the "Debt Funds"), management fees are deducted in advance from the Debt Funds' assets on a quarterly basis. In addition, a performance fee/allocation is deducted from each Debt Fund's assets and paid or allocated to an affiliate of GBCP at the end of the applicable fiscal year in arrears and is subject to a modified high water mark. For 1903 Equity Fund, L.P. a Delaware limited partnership (the "Equity Fund"), management fees are deducted in advance from the Equity Fund's assets twice a year for approximately the following 5 1/2 month period. Performance fees in the form of carried interest are paid to an affiliate of GBCP through a waterfall provision after each partner in each Equity Fund has been returned all capital contributions and an annual preferred return compounded annually. Management fees are prorated for any period that is less than a full period.

C. Other Fees and Expenses

For the Equity Fund, to the extent possible, third party costs related to portfolio investments are charged to portfolio companies. The Equity Fund, to the extent not reimbursed by a portfolio company, bears all expenses related to its operations, including, without limitation, fees, costs, expenses and liabilities directly related to the purchase, holding and sale of securities, unconsummated transaction expenses, management fees, taxes, fees and expenses of auditors, third party accounting and administrative service providers, consultants and counsel, expenses associated with such Equity Fund's financial statements, tax returns and K-1s, expenses of the board of advisors and annual meetings, insurance, litigation expenses and, subject to the approval of the board of advisors, any extraordinary expense.

For the Debt Funds, each Debt Fund bears all reasonable expenses related to its operations, including management fees paid to GBCP, legal, accounting, auditing and other professional expenses, directors and officers insurance or similar insurance expenses of each Debt Fund, its general partner or board of directors, as applicable, or GBCP, administration expenses, organizational expenses, expenses of appraisal and valuation firms, research expenses (including research-related travel) and investment expenses such as custodial fees, bank service fees, interest on margin loans or other indebtedness, commitment and other fees relating to credit facilities, brokerage commissions, legal fees and due diligence expenses related to analysis of investments, purchase or sale of investments and loans, whether or not such investments or loans are consummated or sold, and other expenses related to the purchase, sale or transmittal of such Debt Fund's assets.

Please refer to **Item 12** for more information.

D. Fees in Advance

Investors in the Funds must pay management fees in advance. GBCP offers pro rata refunds to any investors in the Funds of any unearned management fees paid in advance.

E. Securities Compensation

Not applicable.

Item 6: Performance-Based Fees and Side-By-Side Management**Sharing of Capital Gains**

All Funds managed by GBCP pay performance fees/allocations (if applicable) to GBCP or affiliates of GBCP. All of the Funds managed by GBCP or any of its supervised persons are charged both management fees and performance fees/allocations, if applicable. GBCP and its affiliates can waive management fees and performance fees/allocations (if applicable) for any investors in their sole discretion.

Item 7: Types of Clients

Description

GBCP currently provides investment advisory services on a discretionary basis only to private pooled investment vehicles not registered under the Investment Company Act of 1940, as amended.

Account Requirements

In general, the Equity Fund requires a minimum initial investment of \$5,000,000, although the Equity Fund is currently closed to new investments; the Debt Funds require minimum initial investments of \$500,000. However, these Funds may accept subscriptions for lesser amounts. In addition, the Funds require that each investor is an “accredited investor,” as defined in Regulation D under the Securities Act of 1933, as amended, and a “qualified purchaser,” as defined in Section 2(a)(51)(A) of the Investment Company Act of 1940, as amended. The general partner/board of directors of each Fund, as applicable, may waive these minimum initial investments in their sole discretion.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

A. Methods of Analysis and Investment Strategies and Risk Factors: EQUITY FUND

The Equity Fund is closed to new investors and is being wound-down. The Equity Fund's investment period ended in November 2011 and consequently the Equity Fund is making no new investments (with the potential exception of potential add-on investments to its remaining three investments). Pursuant to the terms of the Agreement of Limited Partnership the Fund has until February 28, 2016 (subject to extension) to dispose of its remaining investments.

GBCP continues to manage the equity investment portfolio utilizing normal business practices. These practices include, but are not limited to, maintaining regular discussions and consultations with portfolio company management, reviewing reports and results, attending board meetings, developing/analyzing/executing potential exit strategy activities, and undertaking such other activities as GBCP believes may be reasonable and appropriate. Pursuant to independent contractor agreements with two individuals who previously were employed by GBCP as senior members of the equity management team, GBCP is able to utilize the experience and expertise of such former individuals in connection with such management activities.

B and C. Material Risks for Investment Strategies and Types of Securities: EQUITY FUND

Investing in the Equity Fund involves a high degree of risk and is suitable only for persons having substantial financial resources who understand the long-term nature, the consequences of, and the risks associated with the investment. Some of those risks are summarized below. Investors should carefully consider all the risks discussed below and should consult their own legal, tax, and financial advisers about these risks and an investment in the Equity Fund managed by GBCP. Investing in securities involves risk of loss that clients should be prepared to bear. Clients should refer to the offering documents for the Equity Fund for a more detailed discussion of risks.

Nature of Investment

Investment in the Equity Fund requires a long-term commitment, with no certainty of return. In the near-term, distributions available to the limited partners investing in the Equity Fund is likely to be limited. Most of the Equity Fund's investments are highly illiquid, and there can be no assurance that the Equity Fund will dispose of such investments in a timely manner. Dispositions of such investments may require a lengthy time period or may result in distributions in-kind to the Equity Fund's partners. Generally, the Equity Fund will not be able to sell these securities publicly except pursuant to a registration statement filed under the Securities Act of 1933, as amended (the "Securities Act") or in accordance with Rule 144 of the Securities Act or another exemption under the Securities Act. The securities in which the Equity Fund invested are generally junior in what will typically be a complex capital structure, and thus subject to the risk of loss. Leveraged companies by their nature undertake a high ratio of fixed charges to available income. Such investments are inherently more

sensitive to declines in revenues and to increases in expenses. Since investment performance can be dramatically affected by the amount of capital invested in a particular portfolio company relative to total capital invested in the entire portfolio, poor performance by even a single investment could adversely affect the total returns to limited partners.

Inability to Manage Fund Realizations

It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before realization of gains on successful investments. The return of capital and the realization of gains, if any, will generally occur only upon the partial or complete disposition of the Equity Fund's investments. While investments by the Equity Fund may be sold at any time, it is not generally expected that this will occur for a period of years after the initial investment. Prior to such time, there is unlikely to be a current return on the investments.

Illiquid Investments

Most of the Equity Fund's investments are in unlisted equity securities, which do not have a readily available public market and are therefore illiquid. Such illiquidity may lead to increased difficulty in the valuation of such securities and in the execution of transactions involving such securities within a reasonable time or at favorable prices. As a result, achieving a public market and, ultimately, disposition of such investments may require a lengthy time period and could result in distributions in kind to the Equity Fund's partners.

Minority Investments

The Equity Fund may make minority equity investments in portfolio companies where the Equity Fund may not be able to protect its investment or to control or influence effectively the business or affairs of such entities. The Equity Fund may be adversely affected by action taken by the majority shareholder(s) of the portfolio companies in which it invests.

Reliance on Management of Portfolio Companies

While it has been the intent of GBCP to invest in companies with proven operating management or to recruit new management for underperforming companies acquired by the Equity Fund, there can be no assurance that such management will continue to operate successfully. Although GBCP monitors the performance of each investment, the Equity Funds will rely upon portfolio company management to operate the portfolio companies on a day-to-day basis.

Conflicts of Interest

GBCP is the investment manager to the Equity Fund. GBCP is wholly-owned by Gordon Brothers Group, LLC (“Gordon Brothers”). Gordon Brothers is also the sole owner of 1903 Equity Advisors, L.P., the general partner of the Equity Fund (the “Equity General Partner”). Gordon Brothers fixes the compensation, and can terminate any of the investment professionals that provide services to the general partners of the Funds and GBCP. Gordon Brothers may provide some incentive compensation to employees of GBCP and/or GBCP may provide some incentive compensation to employees of GBG (as an expense solely of GBCP, and not as an expense that is reimbursable by the Funds or limited partners of the Funds). It is GBCP's opinion that no such compensation is/would be material relative to the total overall compensation of any recipient of such compensation. In addition: (i) some personnel of GBCP and Gordon Brothers overlap; (ii) GBCP and Gordon Brothers may compete for some of the same opportunities; and (iii) in some instances GBCP and Gordon Brothers may have different motivations with respect to the same client or investment target. All of the foregoing present potential, actual, and/or apparent conflicts of interests. GBCP identifies; resolves in a manner that is consistent with applicable laws; places the interests of the Funds ahead of the interests of Gordon Brothers; documents; and manages these conflicts.

The Equity Fund may engage in certain transactions with Gordon Brothers and their affiliates provided the terms are commercially reasonable and in compliance with applicable law. For instance, the Equity Fund may engage an affiliate of Gordon Brothers to appraise the value of the assets owned by a portfolio company. In addition, Gordon Brothers or an affiliate may provide certain other services to companies in which the Equity Fund invests.

GBCP expects to leverage the resources and expertise of Gordon Brothers in managing the portfolios of the Equity Fund, but it may be precluded from doing so in certain situations. Gordon Brothers and its affiliates are full-service providers of strategic business and capital solutions to both healthy and distressed companies, including companies in which the Equity Fund may invest, and companies in the retailing and other economic sectors in which the Equity Fund may invest. Gordon Brothers and its affiliates are expected to continue to make loans and other extensions of credit, outside the Equity Fund, which are ancillary to their ordinary course business. In addition, employees of Gordon Brothers, GBCP and their affiliates may serve on the boards of directors of certain publicly traded companies. Due to its affiliation with Gordon Brothers and its affiliates, GBCP may become aware of material non-public information concerning certain publicly traded companies. The business activities of Gordon Brothers, GBCP and their affiliates are subject to internal compliance policies, applicable securities laws limiting the sharing of material non-public information, and contractual restrictions that may be imposed by clients or prospective clients. As a result, (1) Gordon Brothers may be precluded from sharing certain information – including information that may have an adverse impact on the value of companies and their securities – with GBCP sooner than such

information otherwise becomes publicly available, (2) the Equity Fund may be restricted from buying or selling securities of such companies, and (3) Gordon Brothers, in the ordinary course of fulfilling the responsibilities associated with its other business activities, could take actions that may have an adverse effect on the business, prospects, or securities values of companies in which the Equity Fund invest.

In addition, there is a potential conflict of interest since the Equity General Partner is generally entitled to a performance fee/allocation of the net profits of the Equity Funds. This arrangement could cause GBCP to invest more aggressively in riskier securities than in the absence of this performance allocation and carried interest.

GBCP discloses generally the potential for conflicts between GBCP and Gordon Brothers in the disclosure documents provided to investors in the Equity Fund prior to investment.

A. Methods of Analysis and Investment Strategies: DEBT FUNDS

The investment strategy of the Debt Funds is to maximize total return and preserve capital primarily through investment in a portfolio of structured loans and secondary debt, including bonds, bank debt, and certain other financial instruments and securities. Such investment opportunities may arise as a consequence of a company's lack of access to the capital markets, expansion needs, merger and acquisition activities, liquidity needs, financial distress, insolvency, financial complexity, excessive selling demand or lack of information.

The Debt Funds primarily invest in areas in which GBCP and/or Gordon Brothers have significant resources, expertise and market knowledge. These sectors include (i) retail, (ii) consumer products and services, (iii) real estate, (iv) intellectual property (brands and other intangible assets) and (v) industrial and commercial equipment. The Debt Funds may also invest in other areas and, through its U.K. affiliate, may invest in non-U.S. markets including investments in the borrower's currency.

GBCP generates its own investment ideas and also leverages the resources and expertise of Gordon Brothers. GBCP believes that its investment skills and experience coupled with the knowledge base and industry expertise of Gordon Brothers allows GBCP to continue to identify and assess investment opportunities quickly, incorporating insights regarding industry dynamics, key business drivers, competition and other factors. GBCP believes its ability to minimize the risk of principal loss is enhanced by its understanding of liquidation values and its experience in corporate restructurings and bankruptcy processes. In addition, GBCP seeks to structure and size transactions to quantify and limit downside risk. GBCP generally utilizes the resources of Gordon Brothers to actively monitor collateral and business value and, when appropriate, maximize asset monetization. The combination of these attributes differentiates GBCP's approach and may provide a

competitive advantage, particularly in situations in which information about borrowers is limited. GBCP believes that its skills and reputation, and those of Gordon Brothers, helps to position the Debt Funds as preferred co-lenders/investors to certain other significant lenders and investment funds.

Credit Analysis, Due Diligence and Valuation Analysis. For the Debt Funds, credit analysis and due diligence may include (i) analysis of financial trends, cash flow, liquidity, and debt capacity; (ii) analysis of business fundamentals; (iii) review of capital structure and potential contingent liabilities; (iv) evaluation of contractual rights of claims and legal rights of constituents; (v) understanding the asset liquidation and disposition process and (vi) evaluation of management and operating capabilities. Valuation analysis generally employs multiple methodologies to establish collateral, liquidation and enterprise values as well as assessment of financing and restructuring alternatives available and anticipated timeframes for certain potential catalysts. These analyses generally include utilizing Gordon Brothers' significant knowledge of asset values.

Portfolio Construction. For the Debt Funds, GBCP selects investments generally considering, where appropriate, (i) expected value and return analysis incorporating distribution of returns and probability of outcomes; (ii) an analysis of risks and potential mitigating factors (e.g., structural considerations and hedging strategies); (iii) the impact of the position on the Debt Funds' portfolios, including diversification; (iv) the ability to improve returns and minimize downside risk through creative structuring; (v) a careful analysis of co-lenders, if and when possible, in an effort to maximize the likelihood that senior and other lenders will take the appropriate action in a timely manner or allow GBCP to act accordingly and (vi) the identification and validation of potential exit strategies.

Portfolio Maintenance and Monitoring. GBCP actively monitors the investments in the Debt Funds' portfolios, which may include periodic reviews of financial performance, asset and collateral values, and potential exit strategies. GBCP also expects to perform continuing due diligence on borrowers and will seek to have discussions with management. GBCP considers selling certain investments (if the terms thereof permit such sale) if it determines that the factors it considered important when the investment was made have changed or if its assessment of market conditions and the diversification of the portfolio warrant a sale. When appropriate, GBCP exercises the rights and remedies provided to the Debt Funds within the governing documents of an investment to seek to protect the value of its investment.

B and C. Material Risks for Investment Strategies and Types of Securities:

DEBT FUNDS

Investing in one of the Debt Funds involves a high degree of risk and is suitable only for persons having substantial financial resources who understand the long-term nature, the

consequences of, and the risks associated with the investment. Some of those risks are summarized below. Investors should carefully consider all the risks discussed below and should consult their own legal, tax, and financial advisers about these risks and an investment in one of the Debt Funds. Investing in securities involves risk of loss that clients should be prepared to bear. Clients should refer to the offering documents for the Debt Funds for a more detailed discussion of risks.

Structured Loans

The Debt Funds expect to make structured loans to companies, including companies experiencing financial trouble or those undergoing significant change or expansion (e.g., a merger or operational restructuring). Such loans involve a substantial degree of risk as such loans are likely to be below investment grade. Such loans are typically expected to be term loans. The Debt Funds also may invest directly or through participations in loans with revolving credit features or other commitments or guarantees to lend funds in the future. Failure by the Debt Funds to advance requested funds to a borrower could result in claims against the Debt Funds and in possible assertions of offsets against amounts previously lent. The Debt Funds' investments in loans may include asset-based loans, commercial loans, bridge loans, enterprise value loans and debtor-in-possession financings. The Debt Funds may lose the entire value of the loan, may be required to accept cash or securities with a value less than the Debt Funds' loan and/or may be prohibited from exercising certain rights with respect to such loan. Such loans may not show any returns for a considerable period of time. Moreover, such loans may be adversely affected by state and federal laws relating to, among other things, fraudulent conveyances, voidable preferences, lender liability and the Bankruptcy Court's discretionary power to disallow, subordinate or disenfranchise particular claims, and may also involve substantial litigation. Although some loans will be secured by collateral, other loans will be unsecured and may be junior to other lenders. With secured loans, there is no assurance that the value of the collateral will be sufficient to protect all or a portion of the Debt Funds' investment.

GBCP expects that a portion of the loans made by the Debt Funds will occasionally be sold to either unrelated third parties or affiliates at some point in time after the loan is originated, including to the offshore fund (which does not expect to originate loans). Furthermore, in order to be selected to provide certain lending facilities to a borrower, the Debt Funds may be required to commit and/or fund amounts in excess of amounts it would otherwise desire for the longer-term, even where it expects to sell a portion of the loans. Sales of loans (which may also be structured in other ways, including participation arrangements) will be made at fair market value, provided that the fair market value of any sales to the offshore fund or to affiliates of GBCP will be validated by an independent third-party valuation firm. Until a portion of a loan is sold, the Debt Funds may have more capital at risk in such loan than GBCP desires the Debt Funds to have for the longer term and the fair value of such loan could decrease significantly. Furthermore, there is no assurance that there will be purchasers willing to buy a portion of such loan on commercially reasonable terms, if at all. If the offshore fund and other third parties decline to purchase a portion of such loan, the Debt Funds' ability to manage its exposure

to investment risks and to take advantage of future investment opportunities may be limited, which in turn, could adversely impact the value of an investor's investment in the Debt Funds.

Loan Participations

The Debt Funds may invest in corporate secured loans acquired through assignments or participations. In purchasing participations, the Debt Funds will usually have a contractual relationship only with the selling institution, and not the borrower. The Debt Funds generally will have no right directly to enforce compliance by the borrower with the terms of the loan agreement, nor any rights of set-off against the borrower, nor will it have the voting rights that would allow it to have the right to object or agree to certain changes to the loan agreement agreed to by the selling institution. The Debt Funds may not directly benefit from the collateral supporting the related secured loan and may not be subject to any rights of set-off the borrower has against the selling institution.

In addition, in the event of the insolvency of the selling institution, under federal and state law the Debt Funds may be treated as a general creditor of such selling institution, and may not have any exclusive or senior claim with respect to the selling institution's interest in, or the collateral with respect to, the secured loan. Consequently, the Debt Funds may be subject to the credit risk of the selling institution as well as of the borrower. Certain of the secured loans or loan participations may be governed by non-U.S. law, which may present additional risks as regards the characterization under such laws of such participation in the event of the insolvency of the selling institution or the borrower.

Distressed Securities

The Debt Funds may invest in distressed securities, securities, private claims and obligations of domestic and foreign entities that are experiencing significant financial or business difficulties that may result in covenant or payment default. Such entities may need to restructure their balance sheet, which may require a bankruptcy filing. Investments may include loans, commercial paper, loan participations, trade claims held by trade or other creditors, stocks, partnership interests and similar financial instruments, executory contracts and options or participations therein not publicly traded. Distressed securities purchased by the Debt Funds may be subject to certain additional risks to the extent that such securities may be unsecured and subordinated to substantial amounts of senior indebtedness, a significant portion of which may also be secured.

Distressed securities have the potential to generate strong returns to the Debt Funds, but also involve a substantial degree of risk. The Debt Funds may lose all or a substantial portion of its investment in a distressed environment or may be required to accept cash or securities with a value significantly less than the Debt Funds' investment. Among the risks inherent in investments in entities experiencing significant financial or business problems is the difficulty in obtaining information as to the true condition of such issuers. Such investments also may be adversely affected by state and federal laws relating to, among other things, fraudulent conveyances, voidable preferences, lender liability and the Bankruptcy Court's discretionary power to disallow, subordinate or recharacterize particular claims. The market prices of such instruments are also subject to abrupt and erratic market movements and above average price volatility, and the spread between the

bid and asked prices of such instruments may be greater than normally expected. In trading distressed securities, litigation sometimes arises. Such litigation can be time-consuming and expensive, and can frequently lead to delays or losses.

High-Yield Securities

The Debt Funds may make investments in high-yield bonds and preferred securities that are not rated investment grade. Securities in the lower rating categories are subject to greater risk of loss, as to timely repayment of principal and timely payment of interest or dividends than higher-rated securities. High yield bonds are generally unsecured and may be subordinate to other obligations of the debtor. They are also generally considered to be subject to greater risk than securities with higher ratings in the case of deterioration of general economic conditions. The yields and prices of lower-rated securities may tend to fluctuate more than those for higher-rated securities. In addition, adverse publicity and investor perceptions about lower-rated securities, whether or not based on fundamental analysis, may be a contributing factor in a decrease in the value and liquidity of the securities.

High-yield securities that are rated BB or lower by Standard & Poor's or Ba or lower by Moody's Investors Service are often referred to in the financial press as —junk bonds and may include securities of issuers in default. Junk bonds are considered by the ratings agencies to be predominantly speculative and may involve major risk exposures such as: (i) vulnerability to economic downturns and changes in interest rates; (ii) sensitivity to adverse economic changes and corporate developments; (iii) redemption or call provisions which may be exercised at inopportune times; and (iv) difficulty in accurately valuing or disposing of such securities.

Special Situations

The Debt Funds may make or have investments in companies involved in (or the target of) acquisition attempts or tender offers or companies involved in work-outs, liquidations, spin-offs, reorganizations, bankruptcies and similar transactions. In any investment opportunity involving any such type of business enterprise, there exists the risk that the transaction in which such business enterprise is involved either will be unsuccessful, will take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price to the Debt Funds of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, the Debt Funds may be required to sell its investment at a loss. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled companies in which the Debt Fund may invest, there is a potential risk of loss by the Debt Fund of its entire investment in such companies. The Debt Funds may purchase securities on a when-issued basis, which means that delivery and payment take place sometime after the date of the commitment to purchase and is often conditioned upon the occurrence of a subsequent event, such as approval and consummation of a merger, reorganization or debt restructuring. The purchase price and/or interest rate receivable with respect to a when-issued security are fixed when the Debt Funds enter into the commitment. Such securities are subject to changes in market value prior to their delivery.

Investment in Reorganizations and Restructurings

The Debt Funds may make investments in restructurings that involve companies that are experiencing or are expected to experience severe financial difficulties. These severe financial difficulties may never be overcome and may cause such companies to become subject to bankruptcy proceedings. In such situations, the Debt Funds' investment is subject to the risk that a bankruptcy filing may adversely and/or permanently impact the value of a company and that high bankruptcy administrative costs may impair the value of the company. Furthermore, investments in distressed companies and restructurings may be adversely affected by statutes relating to, among other things, fraudulent conveyances, voidable preferences, lender liability and a court's discretionary power to disallow, subordinate or disenfranchise particular claims. In addition, such investments could subject the Debt Funds to certain additional potential liabilities that may exceed the value of the Debt Funds' original investment therein. For instance, under certain circumstances, payments to the Debt Funds and distributions by the Debt Funds to the investors may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance, preferential payment or similar transaction under applicable bankruptcy and insolvency laws.

Having a blocking position in a security that is subject to a plan of reorganization or a restructuring entails significant risks if the Debt Funds' evaluation of the anticipated outcome of the investment situation should prove incorrect. In addition, an investment in a company involved in a reorganization proceeding or restructuring entails significant risks if the Debt Funds' evaluation of the anticipated outcome of the investment situation should prove incorrect. Furthermore, an investment in a company involved in a reorganization proceeding or restructuring may be adversely impacted if the Debt Funds' evaluation of the timing of such outcome should prove incorrect.

Some of the investments the Debt Funds will make may require active monitoring and representation on official and unofficial creditors' committees for companies involved in reorganization proceedings or restructurings. Accordingly, the Debt Funds may seek representation on such committees from time to time if GBCP, in its discretion, determines that such representation is necessary or advisable to protect or further the Debt Funds' interests. Serving on an official or unofficial committee increases the possibility that the Debt Funds will be deemed an insider or a fiduciary of the company it has so assisted and may restrict the Debt Funds' trading of its investments in such company. Should such assistance be provided before a company enters bankruptcy proceedings, the court, under certain conditions such as a finding of fraud or inequitable conduct, may invoke the doctrine of equitable subordination with respect to any claim or equity interest held by the Debt Funds in such company and subordinate any such claim or equity interest in whole or in part to other claims or equity interests in such company. Claims of equitable subordination may also arise outside of the context of the Debt Funds' committee activities. In addition, if representation of a creditors' committee of a company causes the Debt Funds to be deemed an affiliate of the company, the securities of such company held by the Debt Funds may become restricted securities, which are not freely tradable. As the Debt Funds will indemnify any person serving on a committee on its behalf for claims arising from the breaches of those obligations, indemnification payments could adversely affect the return on the Debt Funds' investment in a company.

Short Sales

Short selling, or the sale of securities not owned by the Debt Funds, necessarily involves certain risks. Such transactions expose the Debt Funds to the risk of loss in an amount greater than its initial investment, and such losses can increase rapidly and without effective limit. There is the risk that the securities borrowed by the Debt Funds in connection with a short sale would need to be returned to the securities lender on short notice. If such request for return of securities occurs at a time when other short sellers of the subject security are receiving similar requests, a short squeeze can occur, wherein the Debt Funds might be compelled, at the most disadvantageous time, to replace borrowed securities previously sold short with purchases on the open market, possibly at prices significantly in excess of the proceeds received earlier.

Options

Purchasing put and call options, as well as writing such options, are highly specialized activities and entail significant investment risks. Because option premiums paid or received by an investor are small in relation to the market value of the investments underlying the options, buying and selling put and call options can result in large amounts of leverage. As a result, the leverage offered by trading in options could cause the value of a limited partner's capital account (or shareholder's shares) to be subject to more frequent and wider fluctuations than would be the case if the Debt Funds did not invest in options.

Derivative Financial Instruments and Techniques

The Debt Funds may use derivative financial instruments. The risks posed by such instruments and techniques, which may be extremely complex and may involve leveraging of the Debt Funds' assets, include: (1) credit risks (the exposure to the possibility of loss resulting from a counterparty's failure to meet its financial obligations); (2) market risk (adverse movements in the price of a financial asset); (3) legal risks (the characterization of a transaction or a party's legal capacity to enter into it could render the financial contract unenforceable, and the insolvency or bankruptcy of a counterparty could preempt otherwise enforceable contract rights); (4) operations risk (inadequate controls, deficient procedures, human error, system failure or fraud); (5) documentation risk (exposure to losses resulting from inadequate documentation); (6) liquidity risk (exposure to losses created by inability to prematurely terminate the derivative); (7) system risk (the risk that financial difficulties in one institution or a major market disruption will cause uncontrollable financial harm to the financial system); (8) concentration risk (exposure to losses from the concentration of closely related risks such as exposure to a particular industry or exposure linked to a particular entity); and (9) settlement risk (the risk faced when one party to a transaction has performed its obligations under a contract but has not yet received value from its counterparty).

Hedging

GBCP may engage in certain hedging techniques from time to time (which may include currency and interest rate hedging and shorting securities) though it is not anticipated that hedging will be a significant part of the investment strategy. There is no assurance that any such hedging strategies will be successful, as such success will depend on, among other factors, GBCP's ability to predict the future correlation, if any, between the

performance of the instruments utilized for hedging purposes and the performance of the investments being hedged.

Credit Derivatives, Bank Debt and Similar Transactions

The Debt Funds may be a user of credit derivatives for speculative purposes, which are contracts that transfer price, spread and/or default risks of debt and other instruments from one party to another. Such instruments may include one or more debtors. The market for credit derivatives may be relatively illiquid, and there are considerable risks that may make it difficult either to buy or sell the contracts as needed or at reasonable prices. Sellers of credit derivatives carry the inherent price, spread and default risks of the debt instruments covered by the derivative instruments. Buyers of credit derivatives carry the risk of non-performance by the seller due to inability to pay. There are also risks with respect to credit derivatives in determining whether an event will trigger payment under the contract and whether such payment will offset the loss or payment due under another instrument. A trigger event in one contract may not match the trigger event in another contract, exposing the buyer or the seller to further risk.

In addition, the Debt Funds may invest in bank debt, either through a direct assignment, whereby the Debt Funds is listed as the owner of the instrument on the books and records of the agent bank, or through a participation or similar interest, whereby the Debt Funds are not treated as a direct owner of the underlying instrument and is therefore subject to the risk of nonperformance by the counterparty to the transaction.

Synthetic Securities

In addition to credit risks associated with holding non-investment grade loans and high yield debt securities, with respect to synthetic securities, the Debt Funds usually will have a contractual relationship only with the counterparty of such synthetic securities, and not the Reference Obligor (as defined below) on the Reference Obligation (as defined below). The Debt Funds generally will have no right to directly enforce compliance by the Reference Obligor with the terms of the Reference Obligation nor any rights of off-set against the Reference Obligor, nor have any voting rights with respect to the Reference Obligation. The Debt Funds will not benefit directly from the collateral supporting the Reference Obligation or have the benefit of the remedies that would normally be available to a holder of such Reference Obligation. In addition, in the event of insolvency of the counterparty, the Debt Funds will be treated as a general creditor of such counterparty, and will not have any claim with respect to the credit risk of the counterparty as well as that of the Reference Obligor. As a result, concentrations of synthetic securities in any one counterparty could subject the Debt Funds to an additional degree of risk with respect to defaults by such counterparty as well as by the Reference Obligor. GBCP will not perform independent credit analyses of the counterparties, any such counterparty, or an entity guaranteeing such counterparty, individually or in the aggregate. Obligor is the obligor on a Reference Obligation. A Reference Obligation is the debt security or other obligation upon which the synthetic security is based.

Structured Finance Securities

The Debt Funds may invest in structured finance securities such as, for example, equipment trust certificates, collateralized mortgage obligations, collateralized bond

obligations, collateralized loan obligations or similar instruments. Structured finance securities may present risks similar to those of the other types of investments in which the Debt Funds may invest and, in fact, such risks may be of greater significance in the case of structured finance securities. Moreover, investing in structured finance securities may entail a variety of unique risks. Among other risks, structured finance securities may be subject to prepayment risk. In addition, the performance of a structured finance security will be affected by a variety of factors, including its priority in the capital structure of the issuer thereof, the availability of any credit enhancement, the level and timing of payments and recoveries on and the characteristics of the underlying receivables, loans or other assets that are being securitized, remoteness of those assets from the originator or transferor, the adequacy of and ability to realize upon any related collateral and the capability of the servicer of the securitized assets.

Asset-Backed Securities

The Debt Funds may invest in asset-backed securities, which are subject to interest rate risk and prepayment risk. Certain asset-backed securities may be subject to additional risks to the extent that they do not have the benefit of a security interest in the related collateral. Each type of asset-backed security also entails unique risks depending on the type of assets involved and the legal structure used. For example, credit card receivables are generally unsecured and the debtors are entitled to the protection of a number of state and federal consumer credit laws, many of which give debtors the right to set off certain amounts owed on the credit cards, thereby reducing the balance due. Similarly, mortgage-backed securities are subject to pre-payment risk in environments where interest rates are decreasing. Asset-backed securities are also subject to credit risk.

Non-U.S. Securities

The Debt Funds may invest in non-U.S. securities and may make investments in companies located outside of the United States. Investing in securities of non-U.S. governments and companies, which are generally denominated in non-U.S. currencies, and utilization of currency forward contracts and options on currencies involve certain considerations comprising both risks and opportunities not typically associated with investing in securities of U.S. issuers. These considerations include changes in exchange rates and exchange control regulations, political and social instability, expropriation, imposition of non-U.S. taxes, less liquid markets and less available information than are generally the case in the United States, higher transaction costs, less government supervision of exchanges, brokers and issuers, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

New Issues

The Financial Industry Regulatory Authority (“FINRA”) has taken the position in its Conduct Rules that brokers that are FINRA members may not sell securities that are part of an equity initial public offering (sometimes referred to as IPOs or New Issues) to an account in which personnel of a FINRA member or certain financial institutions have an interest. While the Debt Funds do not currently anticipate purchasing New Issues, it may do so in the future. To the extent that an investor is treated as a restricted person within the prohibition of FINRA, the investor's investment will not include any New Issue and,

as a result, that the investor's investment returns may differ from those of unrestricted investors.

Small Capitalization Companies

The Debt Funds may loan or otherwise invest a portion of its assets in small and/or emerging companies. While smaller companies generally have potential for rapid growth, they often involve higher risks because they may lack the management experience, financial resources, product diversification, and competitive strength of larger companies. In addition, the frequency and volume of the trading of securities for such companies may be substantially less than is typical of larger companies. As a result, loans to such companies may be very risky and securities of smaller companies may be subject to wider price fluctuations. When liquidating large positions in small companies, the Debt Funds may have to sell portfolio holdings at discounts from quoted prices or may have to make a series of small transactions over an extended period of time.

Conflicts of Interests

GBCP is the investment manager to the Debt Funds. GBCP is wholly-owned by Gordon Brothers Group, LLC (“Gordon Brothers”). Gordon Brothers is also the sole owner of 1903 Debt Advisors, LP, the general partner of the onshore Debt Fund (the “Debt General Partner”). Gordon Brothers fixes the compensation, and can terminate any of the investment professionals that provide services to the general partners of the Funds and GBCP. Gordon Brothers may provide some incentive compensation to employees of GBCP and/or GBCP may provide some incentive compensation to employees of GBG (as an expense solely of GBCP, and not as a expense that is reimbursable by the Funds or limited partners of the Funds). It is GBCP's opinion that no such compensation is/would be material relative to the total overall compensation of any recipient of such compensation. In addition: (i) some personnel of GBCP and Gordon Brothers overlap; (ii) GBCP and Gordon Brothers may compete for some of the same opportunities; and (iii) in some instances GBCP and Gordon Brothers may have different motivations with respect to the same client or investment target. All of the foregoing present potential, actual, and/or apparent conflicts of interests. GBCP identifies; resolves in a manner that is consistent with applicable laws; places the interests of the Funds ahead of the interests of Gordon Brothers; documents; and manages these conflicts.

The Debt Funds may engage in certain transactions with Gordon Brothers and their affiliates provided the terms are commercially reasonable and in compliance with applicable law. For instance, the Debt Funds may engage an affiliate of Gordon Brothers to appraise the value of the assets owned by a prospective borrower. In addition, Gordon Brothers or an affiliate may provide certain services to companies in which the Debt Funds invest.

GBCP expects to leverage the resources and expertise of Gordon Brothers in managing the portfolios of the Debt Funds, but it may be precluded from doing so in certain situations. Gordon Brothers and its affiliates are full-service providers of strategic business and capital solutions to both healthy and distressed companies, including companies in which the Debt Funds invest, and companies in the retailing and other economic sectors in which the Debt Funds may invest. Gordon Brothers and its affiliates are expected to continue to make loans and other extensions of credit, outside the Debt

Funds, which are ancillary to their ordinary course business. In addition, employees of Gordon Brothers, GBCP and their affiliates may serve on the boards of directors of certain publicly traded companies. Due to its affiliation with Gordon Brothers and its affiliates, GBCP may become aware of material non-public information concerning certain publicly traded companies. The business activities of Gordon Brothers, GBCP and their affiliates are subject to internal compliance policies, applicable securities laws limiting the sharing of material non-public information, and contractual restrictions that may be imposed by clients or prospective clients. As a result, (1) Gordon Brothers may be precluded from sharing certain information – including information that may have an adverse impact on the value of companies and their securities – with GBCP sooner than such information otherwise becomes publicly available, (2) the Debt Funds may be restricted from buying or selling securities of such companies, and (3) Gordon Brothers, in the ordinary course of fulfilling the responsibilities associated with its other business activities, could take actions that may have an adverse effect on the business, prospects, or securities values of companies in which the Funds invest.

In addition, there is a potential conflict of interest since the Debt General Partner is generally entitled to a performance fee/allocation of the net profits of the Debt Funds. This arrangement could cause GBCP to invest more aggressively in riskier securities than in the absence of this performance allocation and carried interest.

GBCP discloses generally the potential for conflicts between GBCP and Gordon Brothers in the disclosure documents provided to investors in these Debt Funds prior to investment.

Item 9: Disciplinary Information

Legal and Disciplinary

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of GBCP's advisory business or the integrity of its management persons.

- A. Not applicable.
- B. Not applicable.
- C. Not applicable.

Item 10: Other Financial Industry Activities and Affiliations

A. Broker-Dealer

Not applicable.

B. Financial Industry Activities

Not applicable.

C. Affiliations

1. Not applicable.

2. GBCP is the investment manager to the Debt Funds. GBCP is wholly-owned by Gordon Brothers Group, LLC (“Gordon Brothers”). Gordon Brothers is also the sole owner of 1903 Debt Advisors, LP, the general partner of the onshore Debt Fund (the “Debt General Partner”). Gordon Brothers fixes the compensation, and can terminate any of the investment professionals that provide services to the general partners of the Funds and GBCP. Gordon Brothers may provide some incentive compensation to employees of GBCP and/or GBCP may provide some incentive compensation to employees of GBG (as an expense solely of GBCP, and not as a expense that is reimbursable by the Funds or limited partners of the Funds). It is GBCP's opinion that no such compensation is/would be material relative to the total overall compensation of any recipient of such compensation. In addition: (i) some personnel of GBCP and Gordon Brothers overlap; (ii) GBCP and Gordon Brothers may compete for some of the same opportunities; and (iii) in some instances GBCP and Gordon Brothers may have different motivations with respect to the same client or investment target. All of the foregoing present potential, actual, and/or apparent conflicts of interests. GBCP identifies; resolves in a manner that is consistent with applicable laws; places the interests of the Funds ahead of the interests of Gordon Brothers; documents; and manages these conflicts.

The Debt Funds may engage in certain transactions with Gordon Brothers and their affiliates provided the terms are commercially reasonable and in compliance with applicable law. For instance, the Debt Funds may engage an affiliate of Gordon Brothers to appraise the value of the assets owned by a prospective borrower. In addition, Gordon Brothers or an affiliate may provide certain services to companies in which the Debt Funds invest.

GBCP expects to leverage the resources and expertise of Gordon Brothers in managing the portfolios of the Debt Funds, but it may be precluded from doing so in certain situations. Gordon Brothers and its affiliates are full-service providers of strategic business and capital solutions to both healthy and distressed companies, including companies in which the Debt Funds invest, and companies in the retailing and other economic sectors in which the Debt Funds may invest. Gordon Brothers and its affiliates are expected to continue to make loans and other extensions of credit, outside the Debt Funds, which are ancillary to their ordinary course business. In addition, employees of Gordon Brothers, GBCP and their affiliates may serve on the boards of directors of certain publicly traded companies. Due to its affiliation with Gordon Brothers and its affiliates, GBCP may become aware of material non-public information concerning certain publicly traded companies. The business activities of Gordon Brothers, GBCP

and their affiliates are subject to internal compliance policies, applicable securities laws limiting the sharing of material non-public information, and contractual restrictions that may be imposed by clients or prospective clients. As a result, (1) Gordon Brothers may be precluded from sharing certain information – including information that may have an adverse impact on the value of companies and their securities – with GBCP sooner than such information otherwise becomes publicly available, (2) the Debt Funds may be restricted from buying or selling securities of such companies, and (3) Gordon Brothers, in the ordinary course of fulfilling the responsibilities associated with its other business activities, could take actions that may have an adverse effect on the business, prospects, or securities values of companies in which the Funds invest.

In addition, there is a potential conflict of interest since the Debt General Partner is generally entitled to a performance fee/allocation of the net profits of the Debt Funds. This arrangement could cause GBCP to invest more aggressively in riskier securities than in the absence of this performance allocation and carried interest.

GBCP discloses generally the potential for conflicts between GBCP and Gordon Brothers in the disclosure documents provided to investors in these Debt Funds prior to investment.

3. Not applicable.
4. Not applicable.
5. Not applicable.
6. Not applicable.
7. Not applicable.
8. Not applicable.
9. Not applicable.
10. Not applicable.
11. GBCP is a sponsor/syndicator of the Debt Funds and the Equity Fund.

D. Compensation for Referrals.

Not applicable.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

A. Code of Ethics

GBCP and its supervised persons have committed to a Code of Ethics that is available for review by clients and prospective clients upon request. Each supervised person of GBCP must read, sign and deliver a certificate of compliance with the Code of Ethics and may only effect a personal transaction in a limited offering or initial public offering by pre-approving such transaction with GBCP's Chief Compliance Officer. Each supervised person also must provide initial securities holdings reports and annual securities holding reports to the Chief Compliance Officer. Furthermore, each supervised person shall provide quarterly securities transaction reports related to personal securities transactions in which such person or any member of his or her immediate family has a beneficial ownership interest.

B. Participation or Interest in Client Transactions

GBCP is the investment manager to the Debt Funds. GBCP is wholly-owned by Gordon Brothers Group, LLC ("Gordon Brothers"). Gordon Brothers is also the sole owner of 1903 Debt Advisors, LP, the general partner of the onshore Debt Fund (the "Debt General Partner"). Gordon Brothers fixes the compensation, and can terminate any of the investment professionals that provide services to the general partners of the Funds and GBCP. Gordon Brothers may provide some incentive compensation to employees of GBCP and/or GBCP may provide some incentive compensation to employees of GBG (as an expense solely of GBCP, and not as a expense that is reimbursable by the Funds or limited partners of the Funds). It is GBCP's opinion that no such compensation is/would be material relative to the total overall compensation of any recipient of such compensation. In addition: (i) some personnel of GBCP and Gordon Brothers overlap; (ii) GBCP and Gordon Brothers may compete for some of the same opportunities; and (iii) in some instances GBCP and Gordon Brothers may have different motivations with respect to the same client or investment target. All of the foregoing present potential, actual, and/or apparent conflicts of interests. GBCP identifies; resolves in a manner that is consistent with applicable laws; places the interests of the Funds ahead of the interests of Gordon Brothers; documents; and manages these conflicts.

The Debt Funds may engage in certain transactions with Gordon Brothers and their affiliates provided the terms are commercially reasonable and in compliance with applicable law. For instance, the Debt Funds may engage an affiliate of Gordon Brothers to appraise the value of the assets owned by a prospective borrower. In addition, Gordon Brothers or an affiliate may provide certain services to companies in which the Debt Funds invest.

GBCP expects to leverage the resources and expertise of Gordon Brothers in managing the portfolios of the Debt Funds, but it may be precluded from doing so in certain situations. Gordon Brothers and its affiliates are full-service providers of strategic business and capital solutions to both healthy and distressed companies, including companies in which the Debt Funds invest, and companies in the retailing and other economic sectors in which the Debt Funds may invest. Gordon Brothers and its affiliates

are expected to continue to make loans and other extensions of credit, outside the Debt Funds, which are ancillary to their ordinary course business. In addition, employees of Gordon Brothers, GBCP and their affiliates may serve on the boards of directors of certain publicly traded companies. Due to its affiliation with Gordon Brothers and its affiliates, GBCP may become aware of material non-public information concerning certain publicly traded companies. The business activities of Gordon Brothers, GBCP and their affiliates are subject to internal compliance policies, applicable securities laws limiting the sharing of material non-public information, and contractual restrictions that may be imposed by clients or prospective clients. As a result, (1) Gordon Brothers may be precluded from sharing certain information – including information that may have an adverse impact on the value of companies and their securities – with GBCP sooner than such information otherwise becomes publicly available, (2) the Debt Funds may be restricted from buying or selling securities of such companies, and (3) Gordon Brothers, in the ordinary course of fulfilling the responsibilities associated with its other business activities, could take actions that may have an adverse effect on the business, prospects, or securities values of companies in which the Funds invest.

In addition, there is a potential conflict of interest since the Debt General Partner is generally entitled to a performance fee/allocation of the net profits of the Debt Funds. This arrangement could cause GBCP to invest more aggressively in riskier securities than in the absence of this performance allocation and carried interest. However, GBCP personnel and affiliates have invested in the Funds, and the Company believes that these investments demonstrate commitment to and alignment with the interests of the Funds' investors. (Such investments are not subject to the management or performance based fees discussed in **Item 5** above).

GBCP discloses generally the potential for conflicts between GBCP and Gordon Brothers in the disclosure documents provided to investors in these Debt Funds prior to investment.

C. Participation or Interest in Client Transactions

See response to **Item 11.B** above.

D. Participation or Interest in Client Transactions

See response to **Item 11.B** above.

Item 12: Brokerage Practices

A. Selecting Brokerage Firms

For the Equity Fund, GBCP may utilize various investment banking firms that are broker-dealers to assist it in evaluating portfolio company investments for the Equity Fund. GBCP considers such factors as price, the ability of the broker-dealers to effect the transactions, their personnel, experience, particular industry knowledge, reliability and financial responsibility. Accordingly, if GBCP determines in good faith that the fees charged by a broker-dealer are reasonable in relation to the value of the service provided by such broker-dealer, the Equity Fund may pay fees to such broker-dealer that are greater than those fees another might charge.

For the Debt Funds, GBCP is authorized to determine the broker or dealer to be used for each securities transaction for the Debt Funds. In selecting brokers or dealers to execute transactions, GBCP need not solicit competitive bids and does not have an obligation to seek the lowest available brokerage commissions, mark-ups or other compensation (collectively “Commissions”). It is not GBCP's practice to negotiate execution only Commissions; thus, the Debt Funds may be deemed to be paying for research and related services provided by the broker which are included in the Commissions.

In selecting brokers and negotiating Commissions, GBCP will take into account a variety of other factors, which may include the financial stability and reputation of brokerage firms, the brokerage, research and related execution services provided by such brokers, and referrals of investors (consistent with best execution), although the Debt Funds may not, in any particular instance, be the direct or indirect beneficiary of the research or related services provided.

1. Research and Other Soft Dollar Benefits

It is GBCP's policy to not enter into any soft dollar arrangements. GBCP may, however, receive proprietary research and certain other limited benefits from brokers as an incident of doing business with such brokers, but only where (i) there is no arrangement to direct a specific amount of GBCP's commission business to such brokers in exchange for such items and (ii) GBCP does not “pay up” for such items in the form of higher commissions on client trades. GBCP does not have any formal or informal soft dollar arrangements by which it received research or brokerage products or services. Because GBCP may from time to time utilize the services of brokers (or their affiliates) that also do business with Gordon Brothers, the Chief Compliance Officer and the executive team will consider such multiple relationships at their quarterly meeting (referred to below) in order to ensure that such relationships have not given rise to a violation of this soft dollar policy.

2. Brokerage for Client Referrals.

- a. Not applicable.
- b. Not applicable.

3. Directed Brokerage

- a. Not applicable.
- b. Not applicable.

B. Aggregation

For the Equity Fund, GBCP does not aggregate the purchase or sale of securities because the Equity Fund invested in illiquid securities that cannot be aggregated. In addition, the investment period for the Equity Fund has ended and therefore the Equity Fund will not make any new investments. The Equity Fund, however, can continue to make additional follow-on and related investments. For the Debt Funds, GBCP aggregates the purchase or sale of securities whenever possible to achieve best execution.

Item 13: Review of Accounts**A. Periodic Reviews**

Oswald Street, GBCP's Chief Financial Officer, consistently reviews the investments and performance of the Debt Funds. David Witherell, GBCP's Director of Fund Reporting, consistently reviews the investments and performance of the Equity Fund.

B. Review Triggers

Other conditions that may trigger a review are changes in applicable laws, new investment information, changes in the market and changes in a particular Fund's circumstances.

C. Regular Reports

Annually, the Equity Fund will furnish all limited partners with (i) audited financial statements prepared in accordance with generally accepted accounting principles, accompanied by the report of its independent certified public accountants, (ii) tax information necessary for the completion of tax returns, and (iii) a statement of the applicable Equity Fund's general partner's determination of the value of each of such Equity Fund's portfolio investments as of the end of the preceding calendar year. In addition, on a quarterly basis, each limited partner will be furnished with unaudited financial statements of the applicable Equity Fund. Limited partners will also receive descriptive investment information for each of the portfolio investments on a quarterly basis.

For the Debt Funds, investors will receive unaudited capital account/net asset value statements monthly. In addition, limited partners in the onshore Debt Fund will receive audited year-end financial statements annually and Schedule K-1s.

Item 14: Client Referrals and Other Compensation

A. Referrals

Not applicable.

B. Other Compensation

Not applicable.

Item 15: Custody**Account Statements**

GBCP is deemed to have custody of client funds and securities because it has authority to obtain client funds or securities, for example, by deducting advisory fees from a client's account or otherwise withdrawing funds from a client's account.

GBCP is subject to Rule 206(4)-2 (the "Custody Rule") under the Investment Advisers Act of 1940 (the "Advisers Act"). Accordingly, the Company will ensure that (i) the Funds undergo an annual surprise examination by an independent accounting firm that is registered with and subject to review by the Public Company Accounting Oversight Board to verify Fund assets, and (ii) the qualified custodian sends an account statement, at least quarterly, to each Fund investor identifying the amount of funds and of each security in the account at the end of the period and setting forth all transactions during that period.

Item 16: Investment Discretion**Discretionary Authority for Trading**

GBCP does accept discretionary authority to manage investment accounts on behalf of its Funds. Under these arrangements, GBCP has the authority to determine, without obtaining specific client consent, the investments to be bought or sold, and the amount of the investments to be bought or sold on behalf of the Funds. Investors in the Funds do not currently place any limitations on this discretionary authority but may in the future.

Assumption of Authority

Before GBCP assumes discretionary authority, each investor in each Fund currently signs a limited power of attorney by execution of the limited partnership agreement or subscription agreement for such Fund.

Item 17: Voting Client Securities

A. Proxy Voting Authority

GBCP has authority to vote the securities of the Funds, and in compliance with Advisers Act Rule 206(4)-6, the Company has adopted proxy voting policies and procedures. For the Equity Fund, all of the Investment Committee Members of the Equity Fund are responsible, absent a conflict of interest in accordance with this Policy, for deciding what is in the best interest of the Fund when determining how proxies and shareholder consents are voted based on all of the facts and circumstances known at that time. In rare instances where a conflict of interest exists and is not able to be resolved, GBCP may abstain from voting the proxy or shareholder consent. GBCP believes that generally what is best for the Portfolio Company will also be in the best interest of the Fund. Therefore, the Investment Committee will usually vote with the management team of the Portfolio Company.

For the Debt Funds, the Chief Executive Officer (“CEO”) of the Debt Funds is generally responsible, absent a conflict of interest in accordance with this proxy voting policy, for deciding what is in the best interest of the applicable Fund when determining how proxies, shareholder consents or debt consents should be voted based on all of the facts and circumstances known to the CEO at that time. If there is a conflict of interest with the CEO (i.e. a conflict is identified by the CEO or in connection with the general consideration of potential conflicts of interest), the CFO of GBCP (in consultation with the CCO and other members of the investment management team) shall vote the proxy or shareholder consent. In rare instances where a conflict of interest exists and is not able to be resolved by the CFO after consultation as described above, GBCP may abstain from voting the proxy or shareholder consent.

GBCP's CCO is responsible for the general oversight of the proxy / shareholder consent voting process and, more specifically, for maintaining this Policy.

Investors in the Funds cannot direct GBCP's vote in a particular solicitation. Investors in the Funds may obtain additional information about how GBCP voted securities by contacting the Chief Compliance Officer, Julianne Hull, at jhull@gbcredit.com

B. Absence of Proxy Voting Authority

Not applicable.

Item 18: Financial Information

A. Balance Sheet

Not applicable.

B. Financial Condition

Not applicable.

C. Bankruptcy Petition

Not applicable.