

**Item 1. Cover Page**

**GI Manager L.P.**

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Part 2A of Form ADV: Firm Brochure  
March 31, 2014

**This brochure provides information about the qualifications and business practices of GI Manager L.P. If you have any questions about the contents of this brochure, please contact us at (650) 233-3600. 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.**

**Additional information about GI Manager L.P. also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). An investment adviser’s registration with the SEC does not imply a certain level of skill or training.**

## **Item 2. Material Changes**

This brochure contains the following material changes from the last firm brochure dated as of November 14, 2013:

- Additional risk factors and conflicts of interest were added
- Updated best execution disclosure was added
- As of March 6, 2014, David Smolen became the Chief Compliance Officer of GI Manager L.P.

### **Item 3. Table of Contents**

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#### **Item 4. Advisory Business**

For purposes of this brochure, the “Adviser” means GI Manager L.P., a Delaware limited partnership, together (where the context permits) with its relying advisers and other affiliates that provide advisory services to and/or receive advisory fees from the Clients (as defined below). Such affiliates may or may not be under common control with GI Manager L.P., but possess a substantial identity of personnel and/or equity owners with GI Manager L.P. These affiliates may be formed for tax, regulatory or other purposes in connection with the organization of the Clients, or may serve as general partners of the Clients. Additionally, a separately registered United Kingdom entity, GI Partners UK Ltd (“GI Partners UK”) and its affiliates provide advisory service to and receive advisory fees from certain Funds (as defined below). The Adviser and GI Partners UK are each under common control with GI International L.P., the designated management company of certain Funds and a relying adviser of the Adviser. GI Manager L.P. and GI Partners UK provide investment advice to certain Funds pursuant to Advisory Agreements (as defined below) as subadvisers to GI International L.P.

The Adviser provides investment supervisory services to commingled investment vehicles (the “Funds”) that are exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”) and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”) and to certain other private funds with affiliated investor(s) and a single unaffiliated investor (collectively, the “Separate Account Clients”). The Funds and the Separate Account Clients are referred to together as the “Clients.” The Clients are “Qualified Purchasers” as defined in the 1940 Act.

The Funds primarily make long-term private equity and equity-related investments in private companies, including leveraged buyout acquisitions and recapitalizations, investments in debt instruments, as well as real estate and real-estate related investments in North America and Europe. In accordance with the Funds’ respective investment objectives, investments are generally made in companies doing business in the following sectors: IT infrastructure and services; healthcare services; leisure and retail; and financial and real estate services. The Separate Account Clients make primarily long-term real estate and real-estate related investments in North America. The Adviser’s advisory services consist of investigating, identifying and evaluating investment opportunities, structuring, negotiating and making investments on behalf of the Clients, managing and monitoring the performance of such investments and disposing of such investments. With respect to certain Separate Account Clients, such services are provided on a non-discretionary basis. The Adviser may serve as the investment adviser, the subadviser and/or general partner to the Clients in order to provide such services.

The Adviser, GI Partners UK and their respective affiliates provide investment advisory services to the Funds in accordance with the limited partnership agreement (or analogous organizational document) of such Fund and/or separate investment and advisory, subadvisory, investment management or portfolio management agreements (each, an “Advisory Agreement”).

Investment advice is provided directly to the Funds, subject to the discretion and control of the applicable general partner, and not individually to the investors in the Funds. Certain investors in a Fund may have opt-out rights with respect to certain investments. Services are provided to the

Funds in accordance with the Advisory Agreements with the Funds and/or organizational documents of the applicable Fund. Investment restrictions for the Funds, if any, are generally established in the organizational or offering documents of the applicable Fund and/or side letter agreements negotiated with investors in the applicable Fund.

The terms of the advisory services (including discretionary and non-discretionary investment advisory services) provided by the Adviser to a Separate Account Client, including any restrictions on investments in certain types of securities, are the result of negotiations between the Adviser and such Separate Account Client (or its unaffiliated investor) and are set forth in the Advisory Agreements for such Separate Account Client.

The principal owner of GI Manager L.P. is Richard A. Magnuson. The Adviser has been in business since 2005 and its predecessor companies have been in business since 2001. As of December 31, 2013, the Adviser manages a total of \$8,397,028,341 of client assets, \$7,584,983,774 of which is managed on a discretionary basis and \$812,044,657 of which is managed on a non-discretionary basis. GI International L.P. is owned by Mr. Magnuson and four other investment professionals and it has been in business since March 2008.

## **Item 5. Fees and Compensation**

As compensation for investment supervisory services rendered to certain Funds, the Adviser and/or GI International L.P. receives from each such Fund an advisory fee, and in certain circumstances GI International L.P. may pay a portion of such fee to the Adviser. As compensation for investment supervisory services rendered to the Separate Account Clients, the Adviser receives from each such Separate Account Client an advisory fee (with the advisory fee received from each Fund, each, an “Advisory Fee”). Advisory Fees paid by a Client are indirectly borne by investors in such Client.

In addition, the Adviser and its affiliates may perform management, advisory, transaction related, financial advisory and other services (“Related Services”) for, and receive fees from, actual or prospective portfolio companies or other investment vehicles of the Funds, including fees in connection with monitoring, retaining the Adviser to perform certain transaction-related services, director positions, mergers, acquisitions, add-on acquisitions, refinancings, public offerings, sales and similar transactions and unconsummated transactions (“Transaction Fees”). These Transaction Fees may be substantial and may be paid in cash, in securities of the portfolio companies or investment vehicles (or rights thereto) or otherwise. Although these fees are in addition to the Advisory Fees, the Adviser will in some circumstances reduce the amount of Advisory Fees paid by the applicable Fund in connection with the receipt of such fees. The amount and manner of such reduction is set forth in the Advisory Agreement and/or organizational documents of the applicable Fund. Any such reduction of a Fund’s Advisory Fees may be limited to the extent of such Fund’s proportionate interest in any such portfolio company and only to the extent an Advisory Fee is payable by a Fund. There are also certain circumstances (such as the occurrence of an initial public offering or strategic exit) which may accelerate the payment of such fees. Additionally, a portfolio company may reimburse the Adviser for expenses (including without limitation conference attendance expenses, database subscriptions and other expenses, including compensation or reimbursements of Operations Support Providers (as defined below) deemed by the Adviser to benefit such portfolio company,

and travel expenses, which may include expenses for chartered or first class travel) incurred by the Adviser in connection with its performance of services for such portfolio company; such reimbursed expenses are generally not included in the definition of “Transaction Fees” under the terms of the applicable organizational documents, and such reimbursements are not subject to the sharing arrangements described above.

The Adviser generally has discretion over whether to charge a Transaction Fee and, if so, the fee rate or amount. A portion of all Transaction Fees received may be retained by Adviser or one or more of its affiliates, and may not be shared with any investor of any Fund.

The Adviser’s receipt of Transaction Fees may give rise to conflicts of interest between the Funds on one hand, and the Adviser and its affiliates, on the other hand. For a discussion of material conflicts of interest created by the receipt of such fees and reimbursements, please see Item 11 below.

From time to time, the Adviser may (in its sole discretion), agree to pay a portion of a transaction or other fee received from an actual or prospective portfolio company to a third party (“Third Party Fee”), such as a consultant, advisor, finder, broker and/or investment bank. In such event, the Third Party Fee is not a fee that the Adviser is entitled to retain and therefore, the Adviser is not required under the terms of the applicable organizational documents to share such Third Party Fee with the Funds.

The Adviser and its affiliates also engage and retain senior advisors, advisers, consultants, and other similar professionals who are not employees or affiliates of the Adviser and who may, from time to time, receive payments from, or allocations with respect to, portfolio companies and/or other entities. In such circumstances, such amounts will not be deemed paid to or received by the Adviser and its affiliates and such amounts will not be subject to the sharing arrangements described above.

The Advisory Fees paid by a Fund will generally be reduced by the amount of fees paid by such Fund to persons acting as a placement agent in connection with the offer and sale of interests in such Fund to certain potential investors and, in certain Funds, by fees incurred by the Adviser in connection with the organization of such Fund that exceed a limit specified in such Fund’s limited partnership agreement or analogous organizational documents. In addition, the Adviser may waive or reduce all or a portion of the Advisory Fee payable by a Fund in full or partial satisfaction of any obligation of the Adviser and certain employees and affiliates of the Adviser to invest in and alongside such Fund, which could result in acceleration of investor capital contributions. Waived or reduced Advisory Fees may not be subject to the various offsets or reductions described above. Due to waived or reduced Advisory Fees and/or the timing of receipt of compensation subject to offsets, Fund investors may not receive the full benefit of reductions or offsets.

Separate Account Clients may bear similar expenses to those described above, depending on the terms of the organizational documents negotiated with the applicable Separate Account Client.

The precise amount of, and the manner and calculation of, the Advisory Fees for each Client are established by the Adviser, as modified by negotiations with investors in the applicable Client, and are set forth in such Client's Advisory Agreement, organizational documents and/or other documentation received by each investor prior to investment in such Client. The Advisory Fees and other fees and distributions described above are generally subject to waiver or reduction by the Adviser in its sole discretion, both voluntarily and on a negotiated basis with selected investors. The Advisory Fee structures described above may be modified from time to time. Advisory fees may differ from one Client to another, as well as among investors in the same Fund.

Advisory Fees in respect of the Funds are payable quarterly in advance. Advisory Fees in respect of a Separate Account Client are payable in accordance with the terms of the organizational documents of such Separate Account Client. Upon termination of an Advisory Agreement or other advisory arrangements, Advisory Fees that have been prepaid are generally returned on a prorated basis.

To the extent provided in the Advisory Agreements and the partnership agreements and other organizational documents of the Clients, the Adviser will pay out of Advisory Fees certain operating, administrative and overhead expenses, including the costs and expenses of rent, facilities, utilities, office supplies, office equipment, entertainment and all other ordinary operating expenses of the Adviser, including compensation of its partners and employees (other than Carried Interest described in Item 6 below) and other routine administrative expenses relating to the investment advisory services and facilities provided by the Adviser to the Clients. Consistent with the partnership agreements or other organizational documents of the Funds, each Fund will bear all other reasonable out-of-pocket expenses relating to it to the extent not borne by its portfolio companies, including legal, accounting, audit, investment banking, consulting (including, but not limited to, consulting fees incurred by the applicable Fund for the benefit of its portfolio company), fees paid to third party valuation agents, research, reports, brokerage, finders', custody, transfer, registration, advisory board, directors' and officers' insurance, interest, taxes and extraordinary expenses, such Fund's allocable share of expenses and fees generated in the course of evaluating potential investments, including investments which are not consummated, such Fund's allocable share of expenses and fees incurred in the course of making investments and other similar fees and expenses, as well as any other fees or expenses incurred by the Adviser or such Fund in connection with such Fund's operations that are not specifically set forth above as being paid by the Adviser. In certain cases, a co-investment vehicle may be formed in connection with the consummation of a transaction. If a proposed transaction is not consummated, no such co-investment vehicle generally will have been formed, and the full amount of any expenses relating to such proposed but not consummated transaction would therefore be borne by the Fund or Funds selected by the Adviser as proposed investors for such proposed transaction.

Separate Account Clients bear similar expenses, depending on the terms of the organizational documents negotiated with the applicable Separate Account Client.

Additionally, please see Item 6 below regarding "Carried Interest" that Clients may pay.

In the event that it chooses to use a broker-dealer for limited purposes relating to a particular Client, such Client will incur brokerage and other transaction costs. For additional information regarding brokerage practices, please see Item 12 below.

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

With respect to each Client, a portion of the profits of each such Client is distributed to its general partner or manager, if any, as “carried interest” (the “Carried Interest”). Each general partner or manager of a Client is a related person of the Adviser. Carried Interest paid by a Client is indirectly borne by investors in such Client. Certain Funds, investors and Separate Account Clients may incur lower or no Carried Interest.

The payment by Clients of Carried Interest or the payment of Carried Interest at varying rates (including varying effective rates based on the past performance of a Client) may create an incentive for the Adviser to disproportionately allocate time, services or functions to Clients paying Carried Interest or Clients paying Carried Interest at a higher rate, or allocate investment opportunities to such Clients. Generally, and except as may be otherwise set forth in the organizational documents of the Clients, this conflict is mitigated by (i) certain limitations on the ability of the Adviser to establish new funds and/or (ii) contractual provisions and procedures setting forth investment allocation requirements. Please also see Item 11 below for additional information relating to how conflicts of interests regarding allocation are generally addressed by the Adviser.

## **Item 7. Types of Clients**

The Adviser currently provides investment supervisory services to the Clients. Investment advice is provided directly to the Clients (subject to the direction and control of the general partner of each such Client or, in the case of certain Separate Account Clients, the unaffiliated investor in such Separate Account Client, if applicable) and not individually to investors in such Client.

Interests in the Clients are offered pursuant to applicable exemptions from registration under the Securities Act and the 1940 Act.

The Adviser does not have a minimum size for a Client but minimum investment commitments may be established for investors in the Clients. The general partner of each Client may in its sole discretion permit investments below the minimum amounts set forth in the offering documents (if applicable) or other organizational documents of such Client.

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

### **Methods of Analysis and Investment Strategies**

The Adviser’s Fund investment strategy consists of making control-oriented, deep value investments in middle-market businesses in North America and Europe.



The Adviser seeks to generate attractive risk-adjusted returns by targeting investments in companies that the Adviser believes provide significant downside protection, as well as the opportunity for significant value creation post-investment through strategic and operational improvement. Central to the Adviser's strategy is a deep value orientation that seeks to provide substantial downside protection in the investments. The Adviser's downside protection typically is the result of buying businesses in which a significant portion of the purchase price is represented by underlying asset values or where the purchase price is discounted as compared to intrinsic or fundamental value, often because the business operates in a sector that is out of favor or because the business is undergoing financial distress. The Adviser aims to substantially increase the value of these businesses through board-led value creation initiatives, including management change, new product lines, organic growth and/or synergistic add-on acquisitions.

The Adviser's investment activities are focused on four targeted, well-researched sectors in which it has developed extensive sector expertise, and which are differentiated by their asset intensity, sector growth and cyclical characteristics. These sectors include IT infrastructure & services; healthcare services; retail & leisure; and, financial & real estate services. The Adviser focuses on businesses and portfolios of real-estate-related assets within each of these sectors where meaningful opportunities to create value can be identified and executed.

The Adviser has a distinct real estate focused investment strategy for each of its Separate Account Clients. These mandates span a number of property types and investment strategies, including:

- Industrial and logistics platform
- Agricultural platform focused on the wine industry
- Technology platform focused on data centers and technology-oriented corporate campuses
- Residential and mixed-use development platform

The Adviser deploys a rigorous set of criteria in its investment and asset management approach across all of these investment platforms with a particular focus on risk management.

## **Risks**

Investing in securities involves a substantial degree of risk. A Client may lose all or a substantial portion of its investments, and investors in the Clients must be prepared to bear the risk of a complete loss of their investments.

In addition, material risks relating to the investment strategies and methods of analysis described above, and to the types of securities typically purchased by or for the Clients, include the following:

**Recent Financial Market Fluctuations.** General fluctuations in the market prices of securities and economic conditions generally, particularly of the type experienced since 2008, may reduce the availability of attractive investment opportunities for the Clients and may affect the Clients' ability to make investments and the value of the investments held by the Clients. Instability in

the securities markets and economic conditions generally may also increase the risks inherent in the Clients' investments. The public securities markets have seen increased volatility and the ability of companies to obtain financing for ongoing operations or expansions may be severely hampered by the tightening of the credit markets and the ongoing financial turmoil. It is unclear what the repercussions of this market turmoil may be. Moreover, it remains unknown whether governmental measures undertaken in response to such turmoil (whether regulatory or financial in nature) will have a positive or negative effect on market conditions. There can be no assurance that the market will, in the future, become more liquid than it is at present and it may well continue to be volatile for the foreseeable future. The ability to realize investments depends not only on portfolio companies and their historical results and prospects, but also on political, market and economic conditions at the time of such realizations. In the past, many private equity funds have looked to the public securities markets as a potential exit strategy and there can be no assurance, particularly given the recent volatility in the financial markets and a potential lack of investor appetite for new issues in the public securities markets, that Clients will be able to exit from their investments in portfolio companies by listing their shares on securities exchanges. The trading market, if any, for the securities of any portfolio company may not be sufficiently liquid to enable a Client to sell these securities when the Adviser believes it is most advantageous to do so, or without adversely affecting the stock price. Continued or renewed volatility in the financial sector may have an adverse material effect on the ability of the Clients to buy, sell and partially dispose of their portfolio company investments. The Clients may be adversely affected to the extent that they seek to dispose of any of their portfolio investments into an illiquid or volatile market, and a Client may find itself unable to dispose of investments at prices that the Adviser believes reflect the fair value of such investments. The duration and ultimate effect of current market conditions and whether such conditions may worsen cannot be predicted. The ability of portfolio companies to refinance debt securities may depend on their ability to sell new securities in the public high yield debt market or otherwise.

**Valuation of Assets.** There is no actively traded market for most of the securities owned by the Clients. When estimating fair value, the Adviser will apply a methodology based on its best judgment that is appropriate in light of the nature, facts and circumstance of the investments. Valuations are subject to multiple levels of review for approval and ensuring that portfolio investments are fairly valued is an important focus of the Adviser. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such securities and may differ from the prices at which such securities may ultimately be sold. Third-party pricing information may at times not be available regarding certain of a Client's assets. With respect to the Clients, the exercise of discretion in valuation by the Adviser may give rise to conflicts of interest, as the performance allocation in certain Clients is calculated based, in part, on these valuations and such valuations affect performance calculations.

**Business Risks.** The Clients' investment portfolio will consist primarily of securities issued by privately held companies, and operating results in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk that can result in substantial losses.

**Investment in Junior Securities.** The securities in which the Clients will invest may be among the most junior in a portfolio company's capital structure and, thus, subject to the greatest risk of loss. Generally, there will be no collateral to protect the Clients' investment once made.

**Concentration of Investments.** The Clients will participate in a limited number of investments and may seek to make several investments in one industry or one industry segment. As a result, the Clients' investment portfolio could become highly concentrated, and the performance of a few holdings or of a particular industry may substantially affect its aggregate return. Furthermore, to the extent that the capital raised is less than the targeted amount, the Clients may invest in fewer portfolio companies and thus be less diversified.

**Risk of Real Estate Investment.** Investments related to real property are subject to varying degrees of risk. Real estate values are affected by a number of factors, including (a) changes in the general economic climate, (b) local conditions (such as an oversupply of space or a reduction in demand for space), (c) the quality and philosophy of management, (d) competition based on rental rates, (e) attractiveness and location of the properties, (f) financial condition of tenants, buyers and sellers of properties, (g) quality of maintenance, insurance and management services (h) changes in real estate tax rates and other operating costs and expenses, (i) energy and supply shortages, (j) changes in interest rates and the availability of debt financing, (k) uninsured losses or delays from casualties or condemnation, (l) government regulations (including those governing usage, improvements, zoning and taxes) and fiscal policies, (m) potential liability under changing environmental and other laws, (n) risks and operating problems arising out of the presence of certain construction materials, (o) structural or property level latent defects and (p) acts of God, acts of war (declared or undeclared), terrorist acts, strikes and other factors beyond the control of a general partner or manager, as applicable, and their respective affiliates. Investments in existing entities (e.g., buying out a distressed partner or acquiring an interest in an entity that owns a real property) could also create risks of successor liability.

**Environmental Risks.** Although the general partners and managers, as applicable, intend to comply with applicable environmental rules and regulations, the Clients may be exposed to substantial risk of loss from environmental claims arising in respect of real estate acquired by the Clients or their portfolio companies with undisclosed or unknown environmental liabilities. Under such laws, the Clients could be liable for, among other things, the costs of removal or remediation of certain hazardous substances, including asbestos-related liabilities. Such laws often impute liability without regard to fault.

**Lack of Sufficient Investment Opportunities.** The business of identifying and structuring private equity and real estate transactions is highly competitive and involves a high degree of uncertainty. It is possible that the Clients will never be fully invested if enough sufficiently attractive investments are not identified.

**Illiquidity; Lack of Current Distributions.** Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment. While an investment may be sold at any time, it is generally expected that this

will not occur for a number of years after the initial investment. Before such time, there may be no current return on the investment.

**Leveraged Investments.** The Clients may make use of leverage by incurring or having a portfolio company incur debt to finance a portion of its investment in a given portfolio company, including in respect of companies not rated by credit agencies. Leverage generally magnifies both a Client's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets, which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. The use of leverage will also result in interest expense and other costs to a Client that may not be covered by distributions made to a Client or appreciation of its investments. The use of leverage also imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and may impair its ability to finance future operations and capital needs. The leveraged capital structure of portfolio companies will increase the exposure of a Client's investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of a Client's investments in the leveraged portfolio companies in a down market. In the event any portfolio company cannot generate adequate cash flow to meet debt service, a Client may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of a Client. Furthermore, should the credit markets be tight at the time a Client determines that it is desirable to sell all or a part of a portfolio company, a Client may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Moreover, the companies in which a Client will invest generally will not be rated by a credit rating agency.

**Restricted Nature of Investment Positions.** Generally, there will be no readily available market for Client investments, and hence, most of the Clients' investments will be difficult to value. Certain investments may be distributed in kind to its investors.

**Projections.** Projected operating results of a company in which the Clients invest normally will be based primarily on financial projections prepared by each company's management. In all cases, projections are only estimates of future results that are based upon information received from the company and assumptions made at the time the projections are developed. There can be no assurance that the results set forth in the projections will be attained, and actual results may be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material effect on the reliability of projections.

**Enhanced Scrutiny and Certain Effects of Potential Regulatory Changes.** There has recently been significant discussion regarding enhanced governmental scrutiny and/or increased regulation of the private equity industry. There can be no assurance that any such scrutiny or regulation will not have an adverse impact on the Clients' activities, including the ability of the Clients to implement operating improvements or otherwise execute its investment strategy or achieve its investment objectives.

Furthermore, the combination of recent scrutiny of private equity firms (along with other alternative asset managers) and their investments by various politicians, regulators and market commentators, and the public perception that certain alternative asset managers, including

private equity firms, contributed to the recent downturn in the U.S. and global financial markets, may complicate or prevent the Clients' efforts to consummate investments, both in general and relative to competing bidders outside of the alternative asset space. As a result, the Clients may invest in fewer transactions or incur greater expenses or delays in completing investments than it otherwise would have.

**Need for Follow-on Investments.** Following its initial investment in a given portfolio company, a Client may decide to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a successful portfolio company. There is no assurance that the Clients will make follow-on investments or that the funds will have sufficient Clients to make all or any of such investments. Any decision by a Client not to make follow-on investments or its inability to make such investments may have a substantial negative effect on a portfolio company in need of such an investment. Additionally, such failure to make such investments may result in a lost opportunity for a Client to increase its participation in a successful portfolio company or the dilution of a Client's ownership in a portfolio company if a third party invests in such portfolio company.

**Non-U.S. Investments.** Investments in portfolio companies that are organized or headquartered or have substantial sales or operations outside of the United States, its territories, and possessions, may be subject to certain additional risks due to, among other things, potentially unsettled points of applicable governing law, the risks associated with fluctuating currency exchange rates, capital repatriation regulations (as such regulations may be given effect during the term of the Clients), the application of complex U.S. and non-U.S. tax rules to cross-border investments, possible imposition of non-U.S. taxes on the Clients and/or the investors in the Clients with respect to the Clients' income, and possible non-U.S. tax return filing requirements for the Clients and/or its investors.

Additional risks of non-U.S. investments include: (a) economic dislocations in the host country; (b) less publicly available information; (c) less well-developed regulatory institutions; (d) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction; (e) civil disturbances; (f) government instability; and (g) nationalization and expropriation of private assets. Moreover, non-U.S. companies may not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to U.S. companies.

**Public Companies.** The Clients' investment portfolio may contain securities issued by publicly held companies. Such investments may subject the Clients to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of the Clients to dispose of such securities at certain times, increased likelihood of shareholder litigation against such companies' board members, including the principals, and increased costs associated with each of the aforementioned risks.

**Non-Controlling Investments.** The Clients may hold meaningful minority stakes in privately held companies. In addition, during the process of exiting investments, the Clients at times may hold minority equity stakes of any size such as might occur if portfolio holdings are taken public.

As is the case with minority holdings in general, such minority stakes that the Clients may hold will have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes.

**Director Liability.** The Clients will often seek to obtain the right to appoint one or more representatives to the board of directors (or similar governing body) of the companies in which it invests. Serving on the board of directors (or similar governing body) of a portfolio company exposes a Client's representatives, and ultimately such Client, to potential liability. Not all portfolio companies may obtain insurance with respect to such liability, and the insurance that portfolio companies do obtain may be insufficient to adequately protect officers and directors from such liability.

## **Item 9. Disciplinary Information**

Item 9 is not applicable to the Adviser.

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

### **Related General Partners**

Various entities serve as general partners of the Funds and as general partners or managers of the Separate Account Clients (together, the "General Partners"). The Adviser is under common control with the General Partners. All personnel of the General Partners and any other person acting on their behalf are subject to the supervision and control of the Adviser. Certain of the General Partners are also relying advisers as described below. For a description of material conflicts of interest created by the relationship among the Adviser and the General Partners, as well as a description of how such conflicts are addressed, please see Item 11 below.

### **Relying Advisers**

GI GP I L.P., GI GP III L.P., GI GP IV L.P., GI International LLC, GI International L.P., GI Manager LLC, GIP Manager (CalEast) LLC, CalEast Canada Advisors, Inc. and GIP Manager L/CAL LLC are each a relying adviser of GI Manager L.P. Each relying adviser is under common control with the Adviser.

### **Related Advisers**

GI Partners UK, along with its relying advisers, is registered as an investment adviser with the SEC. GI International L.P. is the designated management company of certain Funds. GI International L.P. is under common control with each of the Adviser, GI Partner UK and the General Partners. The Adviser and GI Partners UK provide investment advice to certain Funds pursuant to Advisory Agreements as subadviser to GI International L.P.

For a description of material conflicts of interest created by the relationship among the Adviser and its affiliate advisers, as well as a description of how such conflicts are addressed, please see Item 11 below.

## **Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **Code of Ethics**

The Adviser has adopted a written Code of Ethics that is applicable to all of its partners, officers and employees, as well as officers and employees of its affiliates and certain independent contractors (collectively, “Adviser Personnel”). The Code of Ethics, which is designed to comply with Rule 204A-1 under the Investment Advisers Act of 1940, as amended (the “Advisers Act”), establishes guidelines for professional conduct and personal trading procedures, including certain pre-clearance and reporting obligations. Adviser Personnel and their families and households may purchase investments for their own accounts, including the same investments as may be purchased or sold for a Client, subject to the terms of the Code of Ethics. Under the Code of Ethics, Adviser Personnel are also required to file certain periodic reports with the Adviser’s Chief Compliance Officer as required by Rule 204A-1 under the Advisers Act. The Code of Ethics helps the Adviser detect and prevent potential conflicts of interest.

Adviser Personnel who violate the Code of Ethics may be subject to remedial actions, including, but not limited to, profit disgorgement, fines, censure, demotion, suspension or dismissal. Adviser Personnel are also required to promptly report any violation of the Code of Ethics of which they become aware. Adviser Personnel are required to annually certify compliance with the Code of Ethics.

A copy of the Code of Ethics is available to any client or prospective client upon written request to: David Smolen at [compliance@gipartners.com](mailto:compliance@gipartners.com).

### **Participation or Interest in Client Transactions**

The Adviser, GI Partners UK, and certain employees and affiliates of the Adviser and GI Partners UK may invest in and alongside the Clients, either through the General Partners, as direct investors in the Clients or otherwise. Additionally, a General Partner or an affiliate, as applicable, may reduce all or a portion of the Advisory Fee and Carried Interest related to investments held by such persons. For further details regarding these arrangements, as well as conflicts of interest presented by them, please see “Conflicts of Interest” immediately below.

Due in part to the fact that potential investors in a Client (including purchasers of a limited partner’s interests in a secondary transaction) or a co-investment opportunity (see below) may ask different questions and request different information, the Adviser may provide certain information to one or more prospective investors that it does not provide to all of the prospective investors or limited partners.

### **Conflicts of Interest**

For purposes of this “Conflicts of Interest” section disclosure only, the term “Portfolio” shall include the Clients and certain real estate portfolios and funds managed by the Adviser or its affiliates for third-parties and the funds and other clients advised by GI Partners UK.

The Adviser and its related entities engage in a broad range of activities, including investment activities for their own account and for the account of other investment funds or accounts, and providing transaction-related, investment advisory, management and other services to funds and operating companies. In the ordinary course of conducting its activities, the interests of a Portfolio may conflict with the interests of the Adviser, other Portfolios, or their respective affiliates. Certain of these conflicts of interest, as well a description of how the Adviser addresses such conflicts of interest, can be found below.

The Adviser may, from time to time, establish certain investment vehicles through which certain employees of the Adviser or its affiliates, certain business associates, other “friends and family” of the Adviser or its personnel, individuals and entities that are also investors in one or more Funds (“Advisory Investors”), and/or individuals and entities that are not investors in any Funds (“Third Parties”) may invest alongside one or more Funds in one or more investment opportunities. Such vehicles, referred to herein as “co-investment vehicles,” generally are contractually required, as a condition of investment, to purchase and sell each investment opportunity at substantially the same time and substantially the same terms as the applicable Fund that is invested in that investment opportunity. Such co-investment vehicles may not pay Advisory Fees or Carried Interest.

#### *Resolution of Conflicts*

In the case of all conflicts of interest, the Adviser’s determination as to which factors are relevant, and the resolution of such conflicts, will be made using the Adviser’s best judgment, but in its sole discretion. In resolving conflicts, the Adviser may consider various factors, including the interests of the applicable Portfolios with respect to the immediate issue and/or with respect to their longer term courses of dealing. Certain procedures for resolving specific conflicts of interest are set forth below. When conflicts arise, the following factors may mitigate, but will not eliminate, conflicts of interest:

- (1) A Portfolio will not make an investment unless the Adviser believes that such investment is an appropriate investment considered solely from the viewpoint of such Portfolio;
- (2) Many important conflicts of interest will generally be resolved by set procedures, restrictions or other provisions contained in the relevant offering (if applicable) and/or organizational documents for the Portfolios;
- (3) Generally, each Fund has established an advisory board, consisting of representatives of investors not affiliated with the Adviser. The advisory boards meet as required to consult with the Adviser as to certain potential conflicts of interest. On any issue involving actual conflicts of interest, the Adviser will be guided by its good faith discretion;
- (4) Where the Adviser deems appropriate, unaffiliated third parties may be used to help resolve conflicts, such as the use of an investment banker to opine as to the fairness of a purchase or sale price; and



- (5) Prior to subscribing for interests in a Fund, each investor receives information relating to significant potential conflicts of interest arising from the proposed activities of the Fund.

### *Conflicts*

The material conflicts of interest encountered by a Portfolio include those discussed below, although the discussion below does not necessarily describe all of the conflicts that may be faced by a Portfolio. Other conflicts may be disclosed throughout this brochure and the brochure should be read in its entirety for other conflicts.

### *Allocation of Investment Opportunities Among Portfolios and Allocation of Co-Investment Opportunities*

In connection with its investment activities, the Adviser may encounter situations in which it must determine how to allocate investment opportunities among various clients and other persons, which may include, but are not limited to, the following:

- The Portfolios;
- Any co-investment vehicles that have been formed to invest side-by-side with one or more Funds in all or particular transactions entered into by such Fund(s);
- Adviser Investors and/or Third Parties that wish to make direct investments (i.e., not through an investment vehicle) side-by-side with one or more Funds in particular transactions entered into by such Fund(s); and
- Adviser Investors and/or Third Parties acting as “co-sponsors” with the Adviser with respect to a particular transaction.

The Adviser has adopted written policies and procedures relating to the allocation of investment opportunities, and will make allocation determinations consistently therewith.

The Portfolios are generally subject to investment allocation requirements (collectively, “Investment Allocation Requirements”), which will also apply directly or indirectly to certain co-investment vehicles with investments contractually tied to the Funds. Investment Allocation Requirements may be set forth in the instrument under which the Portfolio was established (such as a Portfolio’s limited partnership agreement, operating agreement or private placement memorandum, as applicable), or in side letters. To the extent the Investment Allocation Requirements of a Portfolio do not include specific allocation procedures and/or allow the Adviser discretion in making allocation decisions among the Portfolios, the Adviser will follow the process set forth below.

The Adviser must first determine which Portfolios will participate in an investment opportunity. The Adviser assesses whether an investment opportunity is appropriate for a particular Portfolio(s), based on the Portfolio’s investment objectives, strategies and structure. A Portfolio’s investment objectives, strategies and structure typically are reflected in the Portfolio’s offering memoranda (if applicable) and organizational documents. Prior to making any

allocation to a Portfolio of an investment opportunity, the Adviser determines what additional factors may restrict or limit the offering of an investment opportunity to the Portfolio(s). Possible restrictions include, but are not limited to:

- **Obligation to Offer:** the Adviser may be required to offer an investment opportunity to one or more Portfolios. This obligation to offer investment opportunities may be set forth in a Portfolio's offering documents (if applicable) and/or organizational documents.
- **Related Investments:** the Adviser may offer an investment opportunity related to an investment previously made by a Portfolio(s) to such Portfolio(s) to the exclusion of, or resulting in a limited offering to, other Portfolios.
- **Legal and Regulatory Exclusions:** the Adviser may determine that certain Portfolios or investors in certain Funds should be excluded from an allocation due to specific legal, regulatory and contractual restrictions placed on the participation of such persons in certain types of investment opportunities.

Once the Portfolios that will participate in a particular investment have been identified, the Adviser, in its discretion, decides how to allocate such investment opportunity among the identified Portfolios. In allocating such investment opportunity, the Adviser may consider some or all of a wide range of factors, which may include, but are not necessarily limited to, the following:

- Each Portfolio's investment objectives and investment focus;
- Transaction sourcing;
- Each Portfolio's liquidity and reserves;
- Each Portfolio's diversification;
- Lender covenants and other limitations;
- Amount of capital available for investment by each Portfolio as well as each Portfolio's projected future capacity for investment;
- Each Portfolio's targeted rate of return;
- Stage of development of the prospective portfolio company or other investment;
- Composition of each Portfolio's investments;
- The suitability as a follow-on investment for a current portfolio company of a Portfolio;
- The availability of other suitable investments for each Portfolio;
- Risk considerations;
- Cash flow considerations;
- Asset class restrictions;
- Industry and other allocation targets;
- Minimum and maximum investment size requirements;

- Tax implications;
- Legal, contractual or regulatory constraints; and
- Any other relevant limitations imposed by or conditions set forth in the applicable offering and organizational documents of each Portfolio.

The Adviser will not allocate investment opportunities based, in whole or in part, on (i) the relative fee structure or amount of fees paid by any Portfolio or (ii) the profitability of any Portfolio.

Subject to any Investment Allocation Requirements, in general, (i) no investor in a Fund has a right to participate in any co-investment opportunity, (ii) decisions regarding whether and to whom to offer co-investment opportunities are made in the sole discretion of the Adviser or its related persons or other participants in the applicable transactions, such as co-sponsors, (iii) co-investment opportunities may, and typically will, be offered to some and not other investors in the Funds, in the sole discretion of the Adviser or its related persons, (iv) certain persons other than investors in the Funds (e.g., Third Parties) may be offered co-investment opportunities, in the sole discretion of the Adviser or its related persons, and (v) co-investors may purchase their interests in a portfolio company at the same time as the Funds or may purchase their interests from the applicable Funds after such Funds have consummated their investment in the portfolio company (also known as a post-closing sell down or transfer).

The Adviser will determine if the amount of an investment opportunity exceeds the amount the Adviser determines would be appropriate for the Funds (after taking into account any portion of the opportunity allocated by contract to certain participants in the applicable deal, such as co-sponsors, consultants and advisers to the Adviser and/or the Funds or management teams of the applicable portfolio company, certain strategic investors and other investors whose allocation is determined by the Adviser to be in the best interest of the applicable Fund), and any such excess may be offered to one or more other Funds or co-investors pursuant to the procedures included in such Funds' organizational documents/side letter agreements and as set forth in the following paragraphs.

In exercising its discretion to allocate co-investment opportunities with respect to a particular investment among the Funds and other potential co-investors, the Adviser may consider some or all of a wide range of factors, which may include, but are not limited to, the following:

- The Adviser's evaluation of the size and financial resources of the potential co-investment party and the Adviser's perception of the ability of that potential co-investment party (in terms of, for example, staffing, expertise and other resources) to efficiently and expeditiously participate in the investment opportunity with the relevant Fund(s) without harming or otherwise prejudicing such Fund(s), in particular when the investment opportunity is time-sensitive in nature, as is typically the case;
- Any confidentiality concerns the Adviser may have that may arise in connection with providing the other account or person with specific information relating to the investment opportunity in order to permit such potential co-investment party to evaluate the investment opportunity;

- The Adviser's perception of its past experiences and relationships with the potential co-investment party, such as the willingness or ability of the potential co-investment party to respond promptly and/or affirmatively to potential investment opportunities previously offered by the Adviser;
- The Adviser's perception of whether the investment opportunity may subject the potential co-investment party to legal, regulatory, reporting, public relations, media or other burdens that make it less likely that the other account or person would act upon the investment opportunity if offered;
- The Adviser's evaluation of whether the profile or characteristics of the potential co-investment party may have an impact on the viability or terms of the proposed investment opportunity and the ability of the Funds to take advantage of such opportunity (for example, if the potential co-investment party is involved in the same industry as a target company in which a Fund wishes to invest, or if the identity of the potential co-investment party, or the jurisdiction in which the potential co-investment party is based, may affect the likelihood of a Fund being able to capitalize on a potential investment opportunity); and
- Whether the Adviser believes, in its sole discretion, that allocating investment opportunities to a potential co-investment party will help establish, recognize, strengthen and/or cultivate relationships that may provide indirectly longer-term benefits to current or future Portfolios.

The Adviser's exercise of its discretion in allocating investment opportunities with respect to a particular investment among the persons, including the Portfolios, potential co-investors, Adviser Investors and Third Parties, and in the manner discussed above may not, and often will not, result in proportional allocations among such persons, and such allocations may be more or less advantageous to some such persons relative to other such persons. While the Adviser will determine how to allocate investment opportunities using its best judgment, considering such factors as it deems relevant, but in its sole discretion, there can be no assurance that a Portfolio's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made will be as favorable as they would be if the conflicts of interest to which the Adviser may be subject, discussed herein, did not exist.

In addition, to the extent the Adviser has discretion over a secondary transfer of interests in a Fund pursuant to such Fund's organizational documents, the Adviser may consider the factors listed above in exercising such discretion. Subject to any restrictions in the organizational documents of the applicable Fund, the Adviser or its related persons may be asked to identify a limited number of Adviser Investors or Third Parties to potentially acquire the interest being transferred.

A Fund may sell down an interest in its portfolio companies to co-investors. Subject to the applicable organizational documents, the Adviser may charge (or may decide not to charge) a co-investor interest costs for the time period between the closing of the applicable Fund's investment in a portfolio company to the date of the transfer of interests in such portfolio company to the applicable co-investor.

The appropriate allocation between Portfolios, Adviser Investors and Third Parties of expenses and fees generated in the course of evaluating potential investments which are not consummated, such as out-of-pocket fees associated with due diligence, attorney fees and the fees of other professionals, will be determined by the Adviser and its affiliates in their good faith discretion, consistent with the organizational documents of the Portfolios, as applicable. Such expenses typically are not allocated to co-investment vehicles. There may be occasions when one Portfolio (the “Payor Portfolio”) pays an expense common to multiple Portfolios (the “Allocated Portfolios”) (e.g., legal expenses for a transaction in which all such Portfolios participate). On such occasions, each Allocated Portfolio will reimburse the Payor Portfolio for its share of such expense, without interest, promptly after the payment is made by the Payor Portfolio. While highly unlikely, it is possible that one of the Allocated Portfolios could default on its obligation to reimburse the Payor Portfolio.

In exercising its discretion to allocate investment opportunities and fees and expenses, the Adviser may be faced with a variety of potential conflicts of interest. For example, in allocating an investment opportunity among Portfolios with differing fee, expense and compensation structures, the Adviser may have an incentive to allocate investment opportunities to the Portfolios from which the Adviser or its related persons may derive, directly or indirectly, a higher fee, compensation or other benefit.

In addition, principal executive officers and other personnel of the Adviser invest indirectly in and may be permitted to invest directly in Portfolios and may therefore participate indirectly in investments made by the Portfolios in which they invest. Such interests will vary Portfolio by Portfolio. The existence of these varying circumstances may present conflicts of interest in determining how much, if any, of certain investment opportunities to offer to a Portfolio.

#### *Conflicts Related to Purchases and Sales*

Conflicts may arise when a Portfolio makes investments in conjunction with an investment being made by other Portfolios, or in a transaction where another Portfolio has already made an investment. Investment opportunities may be appropriate for Portfolios at the same, different or overlapping levels of a portfolio company’s capital structure. Conflicts may arise in determining the terms of investments, particularly where these Portfolios may invest in different types of securities in a single portfolio company. Questions may arise as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced. Decisions about what action should be taken in a troubled situation, including whether or not to enforce claims, whether or not to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring may raise conflicts of interest, particularly in Portfolios that have invested in different securities within the same portfolio company. Certain Portfolios of the Adviser may invest in bank debt and securities of companies in which other Portfolios hold securities, including equity securities. In the event that such investments are made by a Portfolio, the interests of such Portfolio may be in conflict with the interest of such other Portfolio, particularly in circumstances where the underlying company is facing financial distress. The involvement of such persons at both the equity and debt levels could inhibit strategic information exchanges among fellow creditors. In certain circumstances, Portfolios may be prohibited from exercising voting or other rights, and may be subject to claims

by other creditors with respect to the subordination of their interest. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, the Portfolios may or may not provide such additional capital and if provided, each Portfolio will supply such additional capital in such amounts, if any, as determined by the Adviser. In addition, a conflict may arise in allocating an investment opportunity if the potential investment target could be acquired by either a Portfolio or a portfolio company of another Portfolio. Investments by more than one Portfolio of the Adviser in a portfolio company may also raise the risk of using assets of a Portfolio of the Adviser to support positions taken by other Portfolios of the Adviser. Employees and related persons of the Adviser and its affiliates have made or may make capital investments in or alongside certain Portfolios, and therefore may have additional conflicting interests in connection with these investments. There can be no assurance that the return of a Portfolio participating in a transaction would be equal to and not less than another Portfolio participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

A Portfolio may invest in opportunities that other Portfolios have declined, and likewise, a Portfolio may decline to invest in opportunities in which other Portfolios have invested.

From time to time the Adviser may, in its discretion, enter into transactions with investors in one or more Portfolios to dispose of all or a portion of certain investments held by one or more Portfolios. In exercising its discretion to select the purchaser(s) of such investments, the Adviser may consider some or all of the factors listed above under “*Allocation of Investment Opportunities Among Portfolios and Allocation of Co-Investment Opportunities*”. The sales price for such transactions will be mutually agreed to by the Adviser and such purchaser(s); however, determinations of sales prices involve a significant degree of judgment by the Adviser. Although the Adviser is not obligated to solicit competitive bids for such sales transaction or to seek the highest available price, it will first determine that such transaction is in the best interests of the applicable Portfolio(s), taking into account the sales price and the other terms and conditions of the transaction. There can be no assurance, in light of the performance of the investment following such a transaction, that such transaction will ultimately prove to be the most profitable or advantageous course of action for the applicable Portfolio(s). Any such transactions will comply with the organizational documents of the applicable Portfolio(s).

#### *Cross-Transactions*

In certain cases, the Adviser may cause a Portfolio to purchase investments from another Portfolio, or it may cause a Portfolio to sell investments to another Portfolio. Such transactions create conflicts of interest because, by not exposing such buy and sell transactions to market forces, a Portfolio may not receive the best price otherwise possible, or the Adviser might have an incentive to improve the performance of one Portfolio by selling underperforming assets to another Portfolio in order, for example, to earn fees. Additionally, in connection with such transactions, the Adviser, its affiliates and/or their professionals (i) may have significant investments, or intentions to invest, in the Portfolio that is selling and/or purchasing such an investment or (ii) otherwise have a direct or indirect interest in the investment (such as through certain other participations in the investment). The Adviser and its affiliates may receive management or other fees in connection with their management of the relevant Portfolios

involved in such a transaction, and may also be entitled to share in the investment profits of the relevant Portfolios. To address these conflicts of interest, in connection with effecting such transactions, the Adviser will follow the Investment Allocation Requirements of the relevant Portfolios (e.g., the organizational documents of certain Portfolios may provide for the rebalancing of investments at certain times and at a cost set forth in those documents so that these Portfolios' resulting ownership of investments is generally proportionate to the relative capital commitments of the Portfolio). To the extent such matters are not addressed in the Investment Allocation Requirements, the Adviser's Chief Compliance Officer in consultation with the respective Portfolio investment committee, will be responsible for confirming that the Adviser (i) considers its respective duties to each Portfolio, (ii) determines whether the purchase or sale and price or other terms are comparable to what could be obtained through an arm's length transaction with a third party, and (iii) obtains any required approvals of the transaction's terms and conditions. The Adviser will not directly or indirectly receive any commission or other transaction-based compensation for effecting any such transaction, and the Adviser will not effect any such transaction for any Portfolio where the Adviser may be deemed to own more than 25% of the Portfolio, unless such transaction complies with the requirements of the Adviser's principal transactions policy, as described below.

### *Principal Transactions*

Section 206 under the Advisers Act regulates principal transactions among an investment adviser and its affiliates, on the one hand, and the clients thereof, on the other hand. Very generally, if an investment adviser or an affiliate thereof proposes to purchase a security from, or sell a security to, a client (what is commonly referred to as a "principal transaction"), the Adviser must make certain disclosures to the client of the terms of the proposed transaction and obtain the client's consent to the transaction. In connection with the Adviser's management of the Portfolios, the Adviser and its affiliates may engage in principal transactions. The Adviser has established certain policies and procedures to comply with the requirements of the Advisers Act as they relate to principal transactions, including that disclosures required by Section 206 of the Advisers Act be made to the applicable Portfolio(s) regarding any proposed principal transactions and that any required prior consent to the transaction be received. In addition, the offering documents (if applicable), limited partnership agreements or other organizational documents and related documents relating to the Portfolios may contain additional restrictions on the ability of the Portfolios or the Adviser to engage in principal transactions.

### *Management of the Portfolios*

The Adviser manages a number of Portfolios that may have investment objectives similar to each other. The Adviser may in the future establish one or more additional Portfolios with investment objectives substantially similar to, or different from, those of the current Portfolios. Allocation of available investment opportunities between the Portfolios and any such investment Portfolio could give rise to conflicts of interest. See "*Allocation of Investment Opportunities Among Portfolios and Allocation of Co-Investment Opportunities*" above. In addition, it is expected that most or all of the officers and employees responsible for managing the Separate Account Portfolios or the Funds will have responsibilities with respect to the other Portfolios or accounts managed by the Adviser, including those that may be raised in the future. Substantial time will

be spent by such officers and employees monitoring the investments of other Portfolios and accounts managed by the Adviser. Conflicts of interest may arise in allocating time, services or functions of these officers and employees.

The Portfolios may enter into borrowing arrangements that require the Portfolios to be jointly and severally liable for the obligations. If one Portfolio defaults on such arrangement, the other Portfolios may be held responsible for the defaulted amount. The Portfolios will only enter into such joint and several borrowing arrangement when the Adviser determines it is in the best interests of the Portfolios.

#### *Follow-on Investments*

Investments to finance follow-on acquisitions may present conflicts of interest, including determination of the equity component and other terms of the new financing as well as the allocation of the investment opportunities in the case of follow-on acquisitions by one Portfolio in a portfolio company in which another Portfolio has previously invested. In addition, a Portfolio may participate in releveraging and recapitalization transactions involving portfolio companies in which another Portfolio has already invested or will invest. Conflicts of interest may arise, including determinations of whether existing investors are being cashed out at a price that is higher or lower than market value and whether new investors are paying too high or too low a price for the company or purchasing securities with terms that are more or less favorable than the prevailing market terms.

#### *Conflicts Relating to the General Partner and the Adviser*

The Adviser generally may, in its discretion, contract with any related person of the Adviser (including but not limited to a portfolio company of a Portfolio) to perform services for the Adviser in connection with its provision of services to the Portfolios. When engaging a related person to provide such services, the Adviser may have an incentive to recommend the related person even if another person may be more qualified to provide the applicable services and/or can provide such services at a lesser cost.

The Adviser generally may, in its discretion, recommend to a Portfolio or to a portfolio company thereof (in response to a solicitation for a recommendation or otherwise) that it contract for services with (i) the Adviser or a related person of the Adviser (including but not limited to a portfolio company of a Portfolio) or (ii) an entity with which the Adviser or its affiliates or a member of their personnel has a relationship or from which the Adviser or its affiliates or their personnel otherwise derives financial or other benefit. When making such a recommendation, the Adviser may, because of its financial or other business interest, have an incentive to recommend the related or other person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

The Adviser, its affiliates, and partners, officers, principals and employees of the Adviser and its affiliates may buy or sell securities or other instruments that the Adviser has recommended to Portfolios. In addition, officers, principals and employees may buy securities in transactions offered to but rejected by Portfolios. Such transactions are subject to the policies and procedures



set forth in the Adviser's Code of Ethics. The investment policies, fee arrangements and other circumstances of these investments may vary from those of the Portfolios. If officers, principals and employees of the Adviser have made large capital investments in or alongside the Portfolios they may have conflicting interests with respect to these investments.

Because certain expenses are paid for by a Portfolio and/or its portfolio companies or, if incurred by the Adviser, are reimbursed by a Portfolio and/or its portfolio companies, the Adviser may not necessarily seek out the lowest cost options when incurring (or causing a Portfolio or its portfolio companies to incur) such expenses.

### *Fee Structure*

Because there is a fixed investment period after which capital from investors in the Funds may only be drawn down in limited circumstances and because Advisory Fees are, at certain times during the life of the Funds, based upon capital invested by the Funds, this fee structure may create an incentive to deploy capital when the Adviser may not otherwise have done so.

Additionally, for certain Separate Account Clients, such Advisory Fees may be based on the fair market value of the assets held by such Separate Account Client which may create an incentive to value certain assets higher than if such Advisory Fees were not based on fair market value of such assets.

Additionally, as discussed above in Item 6, the General Partners of many of the Funds are entitled to Carried Interest under the terms of the limited partnership agreements of such Funds. Such General Partners are affiliates of the Adviser. The existence of the General Partners' Carried Interest may create an incentive for the General Partners to cause such Funds to make more speculative investments than they would otherwise make in the absence of performance-based compensation.

### *Providers of Operations Support*

The general partner or manager of a Portfolio, as applicable, and the Portfolios' portfolio companies may from time to time retain other companies and individuals ("Operations Support Providers"), which may be affiliates of such general partner or manager, employees of such general partner or manager or any of their respective affiliates, the Portfolios' portfolio companies, portfolio companies of the Adviser's other accounts, third party consultants (including specialized consultants, external executives, and industry advisory roundtable members), "operating partners" or "senior advisors". The Operations Support Providers are engaged to provide operational support, specialized operations and consulting services and similar or related services to, or in connection with, one or more of a Portfolio's portfolio companies in relation to the identification, acquisition, holding, maintenance, improvement and disposition of such portfolio companies ("Operations Support Services"). These services may include support to the general partner or manager of a Portfolio, as applicable, or a Portfolio's portfolio companies regarding, among other things, the portfolio company's management (including serving in management positions or participating in determining corporate strategy), the portfolio company's supply chain, revenue and margin management (including determining

sales/marketing strategy and retail strategy), data intelligence, finance (including generating metrics and reporting and business restructuring), human capital management (including recruiting personnel and determining executive/incentive compensation), information technology, corporate communications, customer service, sustainability (including, strategy, policy and reporting development), real estate matters and similar operational matters.

Fees and expenses associated with Operations Support Services (“Operations Expenses”) may be paid and/or reimbursed by a Portfolio’s portfolio companies and/or a Portfolio. Operations Expenses (including Operations Expenses incurred in connection with an Operations Support Provider that is affiliated with the general partner or manager of a Portfolio) may be determined at the discretion of such general partner or manager, as applicable, taking into account the particular Operations Support Services, may include a profits or equity interest in a Portfolio’s portfolio company or other incentive based compensation to the Operations Support Provider, and may otherwise be determined taking into account any other factors that such general partner or manager, as applicable, deems appropriate in its sole discretion, including the value of the time (including an allocation for overhead and other fixed costs) of the Operations Support Provider, the percentage of the value of such portfolio company, the invested capital exposed to such portfolio company, amounts charged by other providers for comparable services and/or a percentage of cash flows from such portfolio company; provided that the amounts payable to an Operations Support Provider affiliated with the general partner or manager of a Portfolio will not exceed an amount that would generally be charged by a comparable independent third party as determined by such general partner or manager in its sole discretion. The determination of whether a service is an Operations Support Service will be made by the general partner or manager of a Portfolio, as applicable, in its sole discretion, but will generally be based on whether third parties provide such services to investment advisers or companies. Operations Expenses may also be incurred in respect of a Portfolio’s portfolio companies prior to the closing of the investment. In the event one or more Operations Support Providers (directly or indirectly) are providing services with respect to the Portfolios or portfolio companies in which multiple Portfolios hold an interest, such Operations Expenses will be allocated among the Portfolios as determined by the general partner or manager of such Portfolios, as applicable, in a fair and equitable manner. To the extent any such Operations Expenses are payable to any Operations Support Provider that is affiliated with the general partner or manager of a Portfolio by a Portfolio, or a Portfolio’s portfolio company, such Operations Expenses will not reduce any fees otherwise payable to the Adviser or its affiliates. The determination of the general partner or manager of a Portfolio, as applicable, as to whether a service is an Operations Support Service, the categorization of any fees and expenses (e.g., as Operations Expenses) and the allocation of such fees and expenses shall be binding on the Portfolios and their investors.

### *Related Services*

As described in Item 5 above, the Adviser and its affiliates may perform Related Services for, and will receive fees from, actual or prospective portfolio companies or other investment vehicles of the Funds. Such fees will be in addition to any Advisory Fees or Carried Interest paid by the Funds to the Adviser. Consistent with the Funds’ partnership agreements or other organizational documents, the Adviser may incur expenses, and a portfolio company may reimburse the Adviser for such expenses (including without limitation conference attendance

expenses, database subscriptions and other expenses deemed by the Adviser to benefit such portfolio company, and travel expenses, which may include expenses for chartered or first class travel) incurred by the Adviser in connection with its performance of services for such portfolio company. Such reimbursements are not subject to the sharing arrangements described below. There are also certain circumstances (such as the occurrence of an initial public offering or strategic exit) which may accelerate the payment of a fee. The Adviser determines the amount of these fees for Related Services and reimbursements in its own discretion, subject to agreements with sellers, buyers, and management teams, the board of directors of or lenders to portfolio companies, and/or third party co-investors in its transactions, and the amount of such fees and reimbursements may not (except in connection with the reductions described below) be disclosed to investors in the Funds. The Adviser and its affiliates will in some circumstances reduce the amount of Advisory Fees paid by the applicable Fund in connection with the receipt of the applicable Fund's share of such fees. The Adviser generally has discretion over whether to charge a Transaction Fee and if so, the fee rate or amount and a Transaction Fee charged by the Adviser may exceed the amount that would be customary in an arms' length transaction. The amount and nature of this reduction varies from Fund to Fund and is set forth in the Advisory Agreement and/or organizational documents of the applicable Fund. Transactions Fees received by the Adviser or its affiliates are ultimately paid, directly or indirectly, in part by the Funds, which may have an adverse financial impact on the Funds. Further, a portion of the Transaction Fees will be retained by the Adviser and/or one or more of its affiliates, and will not be shared with any investor in any Fund. Payment of these fees creates a conflict of interest between the Adviser and its affiliates and the Funds and their investors because (1) the amounts of these fees and reimbursements may be substantial, (2) the Funds and their investors generally do not have an interest in these fees and reimbursements and (3) the Adviser has the discretion to determine the amount of fees it receives which is indirectly paid by the Fund.

Entities other than Funds that participate in investments alongside the Funds (such as entities through which the Adviser and certain employees and affiliates of the Adviser invest alongside the Funds) may have a right to share in such fees, and Advisory Fees will generally not be reduced in connection with the receipt of such entities' share of such fees.

In many cases with respect to the implementation of the arrangements described above, there is not an independent third-party involved on behalf of the relevant portfolio company. Therefore, a conflict of interest may exist in the determination of any such fees and other related terms in the applicable agreement with the portfolio company.

#### *Diverse Membership*

The investors in the Funds are expected to include U.S. taxable and tax-exempt entities, and institutions from jurisdictions outside of the United States. Such investors may have conflicting investment, tax and other interests with respect to their investments in a Fund. The conflicting interests among the investors may relate to or arise from, among other things, the nature of investments made by a Fund, the structuring of the acquisition of investments and the timing of the disposition of investments. As a consequence, conflicts of interest may arise in connection with decisions made by the Adviser or its affiliates, including with respect to the nature or structuring of investments, that may be more beneficial for one investor than for another

investor, especially with respect to investors' individual tax situations. In selecting and structuring investments appropriate for a Fund, the Adviser and its affiliates will consider the investment and tax objectives of the applicable Fund, not the investment, tax or other objectives of any investor individually.

#### *Business with Portfolio Companies and Investors*

Given the collaborative nature of the Adviser's business and the portfolio companies in which the Portfolios have invested, there are often situations where the Adviser is in the position of recommending portfolio company services to other portfolio companies. The Adviser may have a conflict of interest in making such recommendations, in that the Adviser has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for the Portfolios, while the products or services recommended may not necessarily be the best available to the portfolio companies held by the Portfolios.

The Adviser may have an incentive to recommend the products or services of certain investors in the Portfolios, certain Third Parties, or their related businesses to the Portfolios or their portfolio companies for use or purchase, even though the products or services recommended may not necessarily be the best available to the Portfolios or the portfolio companies.

Portfolio companies controlled by a Portfolio may provide services to certain Portfolio investors. The Adviser may have an incentive to cause the portfolio company to favor those investors relative to other portfolio company clients or customers in terms of pricing or otherwise, which could adversely affect the portfolio company's profitability to the Portfolio. Additionally, the portfolio company could recommend to its clients or customers that they invest in a Portfolio.

The Advisers and/or its affiliates may engage in business opportunities arising from a Portfolio's investment in a portfolio company (for example, without limitation, entering into a joint venture with a portfolio company or making a proprietary investment in a portfolio company).

The Adviser has service providers, including for example, investment bankers, outside legal counsel and pension consultants, who are investors in the Portfolios and/or who provide services to businesses that are competitors of the Adviser. The Adviser may have a conflict of interest with the Portfolios in recommending the retention or continuation of a service provider to the Portfolios or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider will continue to invest in the Portfolios or will provide the Adviser information about markets and industries in which the Adviser operates or is interested or will provide other services that are beneficial to the Adviser. There is a possibility that the Adviser, because of such belief or for other reasons, may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person.

Certain members of a Fund's advisory board are, or in the future may be, officers or directors of, or otherwise affiliated with, investors in another Fund. The General Partner of a Fund may from time to time utilize the services of investors and their affiliates on an arm's length basis, as it deems appropriate.

### *Positions with Portfolio Companies*

Employees of the Adviser may serve as directors of portfolio companies. Such employees may be required to remit some or all of any remuneration they may receive as directors to the applicable Portfolios. In addition, employees of the Adviser may leave the employment of the Adviser or its affiliates and become an officer or employee of a portfolio company. Employees are prohibited from receiving consulting, management or other fees personally from portfolio companies.

### *Side Letter Agreements*

Pursuant to the organizational documents of the Funds, the Adviser may enter into certain side letter arrangements with certain investors in a Fund providing such investors with different or preferential rights or terms, including, but not limited, to different fee structures, information rights, co-investment rights, and liquidity or transfer rights.

### *Advisory Affiliates*

As described in Item 10 above, certain of the Adviser's investment adviser affiliates have their own clients. Clients of the Adviser and these affiliates may invest in the same portfolio companies, including in the same security or in different securities of such a portfolio company. Interests of the Adviser's clients may therefore conflict with the interests of the clients of these affiliates. For instance, see "*Allocation of Investment Opportunities Among Portfolios and Allocation of Co-Investment Opportunities*" and "*Conflicts Related to Purchases and Sales*" above for more information.

### *Other Potential Conflicts*

The Adviser and the Portfolios will generally engage common legal counsel and other advisers in a particular transaction, including a transaction in which there may be conflicts of interest. Members of the law firms engaged to represent the Portfolios may be investors in a Portfolio, and may also represent one or more portfolio companies or investors in a Portfolio. In the event of a significant dispute or divergence of interest between Portfolios, the Adviser and/or its affiliates, the parties may engage separate counsel in the sole discretion of the Adviser and its affiliates, and in litigation and other circumstances separate representation may be required. Additionally, the Adviser and the Portfolios may engage other common service providers. In such circumstances, there may be a conflict of interest between the Adviser and the Portfolios in determining whether to engage such service providers, including the possibility that the Adviser may favor the engagement or continued engagement of such persons if it receives a benefit from such service providers, such as lower fees, that it would not receive absent the engagement of such service provider by the Portfolios.

The Adviser may, in its discretion, have, and may, in its discretion, cause the Portfolios and/or their portfolio companies to have, ongoing business dealings, arrangements or agreements with persons who are former employees or executives of the Adviser. The Portfolios and/or their portfolio companies may bear, directly or indirectly, the costs of such dealings, arrangements or

agreements. In such circumstances, there may be a conflict of interest between the Adviser and the Portfolios (or their portfolio companies) in determining whether to engage in or to continue such dealings, arrangements or agreements, including the possibility that the Adviser may favor the engagement or continued engagement of such persons even if a better price and/or quality of service could be obtained from another person.

If a Portfolio purchases in the secondary market at a discount debt securities of a company in which a Portfolio has, for example, a substantial equity interest, (a) a court might require a Portfolio to disgorge profit it realizes if the opportunity to purchase such securities at a discount should have been made available to the issuer of such securities or (b) a Portfolio might be prevented from enforcing such securities at their full face value if the issuer of such securities becomes bankrupt. The effect of these transactions will vary from jurisdiction to jurisdiction.

In certain circumstances, the partnership agreements (or analogous organizational documents) of certain Portfolios permit the general partner or manager of each such Portfolio to cause such Portfolio to distribute such general partner or manager's share of securities resulting from an investment disposition by such Portfolio to such general partner or manager in kind, while disposing of limited partners' share of such securities and distributing the net cash proceeds of such sale of securities to the limited partners. This ability creates conflicts of interest between the general partner or manager and the limited partners of the applicable Portfolio, because the general partner or manager may have an incentive to cause the Portfolio to exit an investment at a time that may result in limited partners receiving a lesser return on such investment than would be the case if the general partner or manager was prohibited from receiving its proceeds from investments in kind (or was otherwise required to receive its share of investment proceeds in the same form as limited partners). Furthermore, the general partner or manager, or its affiliates, may receive distributions in kind from an investment disposition. In the event the general partner or manager, or its affiliates, receive such a distribution, the general partner or manager may act in its own interest with respect to its share of securities and may determine to sell the distributed securities, or hold on to the distributed securities for such time as the general partner or manager shall determine. The ability of the general partner or manager to act in its own interest with respect to such distributed shares creates a conflict of interest between the general partner or manager, or affiliate, as an adviser to the Portfolio, and the Portfolio.

The partnership agreements (or analogous organizational documents) of certain Portfolios permit each such Portfolio's general partner or manager, or its affiliates, to lend money to the applicable Portfolio. Such lending arrangements create conflicts of interest between the applicable general partner or manager or affiliate and the Portfolio acting as borrower.

The partnership agreements (or analogous organizational documents) of certain Portfolios may permit each such Portfolio's general partner or manager to withhold information from certain limited partners or investors in such Portfolio in certain circumstances. For instance, information may be withheld from limited partners of certain Portfolios that are subject to Freedom of Information Act or similar requirements. In addition, the general partner or manager may elect to withhold certain information from such limited partners for reasons specified in the partnership agreements (on analogous organizational documents) of the applicable Portfolio, which includes, if the general partner or manager believes such disclosure would have an adverse

effect on such Portfolio or any portfolio company of such Portfolio, is not in the best interest of such Portfolio or could damage such Portfolio or its business, despite the potential benefits to such limited partners of receiving such information.

In addition, the Adviser may establish other separate accounts with portfolios significantly similar to those of one or more Portfolios. Consequently, investors in the relevant separate account may have access to information about such portfolio holdings before investors in such Portfolio.

Please see the discussion above under the sub-heading “Resolution of Conflicts” for a description of the means by which the Adviser and its related persons may seek to alleviate conflicts of interest among the Portfolios or other persons.

## **Item 12. Brokerage Practices**

As the Clients invest primarily in private equity and real estate ventures, the Adviser anticipates that investments in publicly traded securities will be infrequent occurrences (e.g., money market instruments pending investment in a portfolio company, securities held as a result of initial public offerings of portfolio companies, going-private transactions, etc.). However, to meet its fiduciary duties to the Clients, the Adviser has adopted written policies to address issues that might arise with respect to purchasing, holding and selling publicly traded securities.

### **Selection of Brokers and Dealers**

For the Funds and certain Separate Account Clients, the Adviser has, subject to the direction of such Client’s General Partner, sole discretion over the purchase and sale of investments (including the size of such transactions) and the broker or dealer, if any, to be used to effect transactions. In placing each transaction in public securities for a Client involving a broker-dealer, the Adviser will seek “best execution” of the transaction. “Best execution” means obtaining for a Client account the lowest total cost (in purchasing a security) or highest total proceeds (in selling a security), taking into account the circumstances of the transaction and the reputability and reliability of the executing broker or dealer.

In determining whether a particular broker or dealer is likely to provide best execution in a particular public securities transaction, the Adviser takes into account all factors that it deems relevant to the broker’s or dealer’s execution capability, including, by way of illustration, price, the size of the transaction, the nature of the market for the security, the amount of the commission, the timing of the transaction taking into account market prices and trends, the reputation, experience and financial stability of the broker or dealer and the quality of service rendered by the broker or dealer in other transactions. In addition, the Adviser may consider the use of Electronic Communications Networks (“ECNs”) when placing public securities trades on behalf of the Funds. When purchasing or selling over-the-counter public securities with market makers, the Adviser generally seeks to select market makers it believes to be actively and effectively trading the security being purchased or sold.

In order to monitor best execution, the Adviser's Chief Compliance Officer will periodically assess the quality of execution of public securities brokerage transactions effected on behalf of the Adviser and each applicable Client.

The Adviser does not receive "soft dollars" in connection with its use of broker-dealers.

### **Aggregation of Trades**

The Adviser and its affiliates may aggregate (or bunch) the orders of more than one Client for the purchase or sale of the same publicly traded security. Portfolio managers and traders often employ this practice because larger transactions may enable them to obtain better overall prices, including lower commission costs or mark-ups or mark-downs. The Adviser and its affiliates may combine orders on behalf of Clients with orders for other Clients for which it or its affiliates have trading authority, or in which it or its affiliates have an economic interest. In such cases, the Adviser and its affiliates generally aggregates trade orders for publicly traded securities so that each participating Client will receive the average price for each execution of a transaction.

If an order for more than one Client for a publicly traded security cannot be fully executed, allocation shall be made based upon the Adviser's procedures for allocation of investment opportunities, as described in Item 11 above.

## **Item 13. Review of Accounts**

### **Oversight and Monitoring**

The investment portfolios of the Clients are generally private, illiquid and long-term in nature, and accordingly the Adviser's review of them is not directed toward a short-term decision to dispose of securities. However, the Adviser closely monitors the portfolio companies of the Clients and generally maintains an ongoing oversight position in such portfolio companies. The portfolios are reviewed by a team of investment professionals on an on-going basis. The team generally includes at least one Managing Director and other investment professionals of the Adviser

### **Reporting**

Investors in the Clients typically receive, among other things, a copy of audited financial statements of the relevant Client within 90 days after the fiscal year end of such Client, as well as quarterly performance reports within 45 days after each fiscal quarter end. The Adviser and the applicable General Partner, if any, may from time to time, in their sole discretion, provide additional information relating to such Client to one or more investors in such Client as they deem appropriate.

Investors in Separate Account Clients may negotiate reporting requirements specific to their account. In the event of individually negotiated terms for Separate Account Clients, the Adviser will provide the reporting mutually agreed to by the parties as described in their organizational documents of such Separate Account Client.



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

For details regarding economic benefits provided to the Adviser by non-clients, including a description of related material conflicts of interest and how they are addressed, please see Item 11 above. In addition, the Adviser and its related persons may, in certain instances, receive discounts on products and services provided by portfolio companies of Clients and/or the customers or suppliers of such portfolio companies.

While not a client solicitation arrangement, the Adviser may from time to time engage one or more persons to act as a placement agent for a Client in connection with the offer and sale of interests to certain potential investors. Such persons generally will receive a fee in an amount equal to a percentage of the capital commitments for interests made by such potential investors to such Client that are subsequently accepted and reimbursement for agreed upon expenses. Such Client may, subject to any limitations set forth in its partnership agreement or other organizational documents, reimburse such fees. Advisory Fees received by the Adviser are generally reduced by the amount of such fees.

#### **Item 15. Custody**

As the Adviser relies on the “audit exemption” under the Advisers Act custody rule (i.e., Rule 206(4)-2(b)(4)), investors in the Clients will not receive account statements from the Clients’ custodians.

#### **Item 16. Investment Discretion**

Investment supervisory services are provided to the Clients in accordance with the Advisory Agreements with the Clients and/or organizational documents of the applicable Client. Investment restrictions for the Clients, if any, are generally established in the organizational or offering documents of the applicable Client. With respect to certain Separate Account Clients, such services are provided on a non-discretionary basis. Investment advice is provided directly to the Clients (subject to the direction and control of the General Partner of each such Client or, in the case of certain Separate Account Clients, the unaffiliated investor in such Separate Account Client, if applicable) and not individually to investors in such Client.

#### **Item 17. Voting Client Securities**

The Adviser has established written policies and procedures setting forth the principles and procedures by which the Adviser votes or gives consent with respect to securities owned by the Clients (“Votes”). The guiding principle by which the Adviser votes all Votes is to vote in the best interests of each Client by maximizing the economic value of the relevant Client’s holdings.

Consideration will be given to both the short- and long-term implications of the proposal to be voted on when considering the optimal vote. While the recommendation of management on any issue is a factor which the Adviser considers in determining how Votes should be made, the Adviser does not consider recommendations from management to be determinative of the Adviser’s ultimate decision. As a matter of practice, the Votes with respect to most issues are

cast in accordance with the position of the portfolio company's management. Each issue, however, is considered on its own merits, and the Adviser will not support the position of a portfolio company's management in any situation where it determines that the ratification of management's position would adversely affect the investment merits of owning that company's securities.

Additionally, in some circumstances, a Client may be party to stockholder or voting agreements requiring it to vote in a manner described in such agreements, in which case the Client is bound to comply with these voting objectives. The investment team for an investment is responsible for monitoring compliance with any such voting agreement.

The fiduciary duty that the Adviser owes the Clients prohibits the adoption of a policy to enter default proxy votes in favor of management. Thus, the Adviser and the relevant investment team will review all proxies in accordance with the general principles outlined in its policy.

The Adviser is not required to vote every proxy and may refrain from voting when refraining from Voting is in a Client's best interest.

The Adviser's Chief Compliance Officer has the responsibility to monitor Votes for any conflicts of interest, regardless of whether they are actual or perceived. The Adviser's Chief Compliance Officer will use his or her best judgment to address any such conflict of interest and ensure that it is resolved in accordance with his or her independent assessment of the best interests of the Clients.

Copies of relevant proxy logs, identifying how proxies were voted in connection with a Client and copies of proxy voting policies are available to any client or prospective client at no charge upon written request to: David Smolen at [compliance@gipartners.com](mailto:compliance@gipartners.com).

#### **Item 18. Financial Information**

Item 18 is not applicable to the Adviser.

#### **Item 19. Requirements for State-Registered Advisers**

Item 19 is not applicable to the Adviser.