



Vine Investment Advisors, LP

Part 2A of Form ADV

The Brochure

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This brochure provides information about the qualifications and business practices of Vine Investment Advisors, LP. If you have any questions about the contents of this brochure, please contact us at 917-512-7049. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Vine Investment Advisors, LP also is available on the SEC's website at www.adviserinfo.sec.gov.

Any reference to Vine Investment Advisors, LP as a "registered investment adviser," or as being "registered," does not imply a certain level of skill or training.



Material Changes

We are providing updated information about our Advisory Business, Clients and regulatory assets under management as of December 31, 2014 in Item 4, Item 5 and Item 14 of this Brochure. Refer to Item 4 for a description of Vine's three new Funds. While there are other changes in the disclosures in this Brochure, we do not believe any of these other changes in the information are material.

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Advisory Business

Vine Investment Advisors, LP (“Vine”) is a Delaware limited partnership that was formed in 2007. Vine is majority owned by Mr. James P. Moore, Managing Partner and Chief Executive Officer (“CEO”). Mr. Stephen A. Kovach, Chief Financial Officer (“CFO”) and Mr. William E. Lambert, Chief Investment Officer (“CIO”) each own minority interests. These three individuals collectively are referred herein as the (“Principals”) of Vine. Vine, the filing advisor, and Vine Alternative Investments II, LP (“VAI II”) and Vine Alternative Investments III, LP (“VAI III”), both of which are registered under the Investment Advisers Act of 1940, as amended (the “Advisers Act”) pursuant to Vine’s registration in reliance on the SEC staff guidance in the 2012 American Bar Association no-action letter, are submitting a single form brochure. Vine, VAI II and VAI III operate as a single advisory business.

Vine’s objective is to create an investment management platform that is focused on providing investment opportunities that generate returns exhibiting low correlation compared to the broader capital markets. Vine attempts to achieve that objective by investing in the media and entertainment sector. Vine provides discretionary investment supervisory services to its six principal private investment funds, Vine Film Finance Fund II, LP, Vine Film Finance Fund II AIV, LP, Vine Media Opportunities – Fund III – A, LP, Vine Media Opportunities – Fund III - A AIV, LP, Vine Media Opportunities – Fund III – B, LP and Vine Media Opportunities – Fund III, LP (the “Funds”) and non-discretionary advisory services to a separately managed account (collectively with the Funds, the “Clients”).



Vine is based in New York and is managed by three (3) veteran partners that bring significant collective experience in investment management, structured finance and media-based content investing. The team seeks to enhance Client returns through active management that aligns the interests of its Clients with those of media and entertainment content providers and distributors. The core of Vine's strategy and execution lies in robust transaction diligence, sophisticated transaction analytics and active investment monitoring that incorporates:

- Extensive deal experience and proprietary modeling capabilities that provide an underwriting and negotiation advantage;
- Comprehensive legal diligence to ensure proper deal terms and investment protections;
- Active investment management and rigorous performance monitoring to realize maximum value.

Capitalizing on the experience and skill set of its Principals, Vine opines on the structure of investments with the goal of optimizing Client returns. Since investors in the Funds may have conflicting investment criteria, Vine has the experience and capability to develop individual investment strategies tailored to meet each Client's needs. However, conflicts may arise in connection with decisions that need to be made by Vine including the decision to acquire or divest certain assets. Vine generally considers the investment objectives of each Fund when making these decisions, but has established formal conflict resolution procedures as a guideline to deal with unanticipated conflicts. In addition, Vine and its related persons may consult a Fund's advisory boards, or the Client in the case of a separately managed account. The advisory board will advise Vine and its related persons on a non-binding basis with a view to the resolution of any issues that may arise from time to time in a fair and equitable manner involving actual or potential conflicts of interest among the Funds, the separately managed account and Vine and its affiliates. Vine also permits Fund investors, through side letter agreements, to restrict the use of their capital to certain types of investments.

At December 31, 2014 Vine managed \$660,300,000 of which \$651,100,000 is managed on a discretionary basis in the Funds and \$9,200,000 is managed on a non-discretionary basis in the separately managed account.

Fees and Compensation

Vine and/or its affiliates receive management fees based on a percentage of assets under management and "carried interest" allocations when a Client realizes a profit upon the disposition of Client investments. The fees and compensation paid to Vine are described in each Client's agreement of limited partnership (each a Partnership Agreement). All investors in the Clients are "qualified purchasers," as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended (the "1940 Act").



Vine generally deducts management fees directly from Client accounts quarterly in advance. VAI II and VAI III, both affiliates of Vine, generally are allocated performance-based fees from Clients either monthly, as prescribed by each Client's Partnership Agreement or Investment Management Agreement (defined herein), as applicable. Performance-based fees are not paid to Vine affiliates until the Client and Investors have received their aggregate capital contributions plus a minimum performance return (the "preferred return"). VAI II and VAI III may invest in the Clients without being charged management fees or performance-based fees.

Description of Vine Fees and Compensation:

The following section is intended to be a summary of Vine's fee arrangements. Investors should refer to their respective Partnership Agreements or Investment Management Agreements for complete details. Vine's fees and compensation are offered to investors as described below. Vine has the sole discretion to amend such investor or Client fee and compensation arrangements. Vine has accepted side letter agreements from larger and strategic investors that amend certain terms including, but not limited to, fees and carried interest.

Management Fee – Vine charges Clients an annual 2.0% fee on assets based on the calculation described in each Client's Partnership Agreement or Investment Management Agreement.

Carried Interest – A percentage of net profits allocated to affiliates of Vine. Vine's carried interest allocation percentage is 20% of net profits and is deferred until after Client's investors have received their return of capital plus a preferred return. The specific terms of the Carried Interest allocation may differ by Client and are further described in each Client's Partnership Agreement.

Clients generally bear their own expenses including: the fees payable to Vine, legal, audit, accounting, tax and investment consulting expenses (including third party valuation services); organizational expenses; insurance (including directors and officers and errors and omissions liability insurance); investment expenses such as investment due diligence fees (including travel); interest on indebtedness; custodial fees; administrator fees and expenses; and any other expenses reasonably related to the purchase or sale of Client assets. In some instances expenses may be allocated between multiple Clients. Allocations of expenses between multiple Clients are determined by Vine and based on the facts and circumstances of those expenses.

Management Fees to Vine are generally paid quarterly in advance on the first day of each quarter. In the event that a Management Fee is paid for period other than a three-month quarterly period, the Management Fee is adjusted on a pro rata basis according to actual number of days in such period. Any such overpayments will be refunded to such Clients. Voluntary withdrawal by a limited partner (investor) from any Fund prior to the termination of the Fund is not permitted.



Performance Based Fees and Side-by-Side Management

VAI II and VAI III, affiliates of Vine, receive “carried interest” allocations when a Client realizes a profit on an investment equal to a predetermined percentage of net profits depending on the Vine entity, subject to meeting each Client’s preferred return or hurdle. Performance-based fees are not paid to Vine affiliates until Clients have received their aggregate capital contributions plus their respective minimum performance return. All Vine Clients are subject to a carried interest allocation provided the terms of such carried interest allocation are met.

Currently, Vine does not provide investment advisory services to any Clients other than those described above. However, Vine retains the right to enter into investment advisory agreements with other clients subject to terms that may or may not be similar to those terms currently applicable to the terms of Vine’s current Clients, including terms regarding Vine’s fees and compensation. This could result in a conflict of interest if Vine and its affiliates were to allocate investment opportunities among these accounts based on performance-based fees. To avoid such conflict of interest Vine has established and will follow documented procedures designed to resolve issues around allocation of investments among such accounts, which will not take into account the performance-based fees and allocations to which such accounts are subject. In addition, Vine and its related persons may consult a Client’s advisory board. The advisory board will advise Vine and its related persons on a non-binding basis with a view to the resolution of any issues that may arise from time to time in a fair and equitable manner involving actual or potential conflicts of interest among the Funds, the separately managed account and Vine and its affiliates.

Types of Clients

Vine currently provides investment advice to clients that are private investment funds, and a separately managed account. Investors in the Funds are generally institutional investors or individual investors that are “qualified purchasers” (as defined in the 1940 Act). The minimum opening investments in the Funds are generally \$5,000,000 for both qualified individual investors and qualified institutional investors. In its sole discretion, Vine may make exceptions to these minimums. The separately managed account does not have a minimum opening investment.

Methods of Analysis, Investment Strategies and Risk of Loss

INVESTMENT PROCESS

Each investment opportunity that is presented by Vine to its Clients is subject to a formal approval process established by the Vine Investment Committee as described below. Investors should refer to their respective Partnership Agreements, Investment Management Agreements or offering documents for further description of the investment process and the Vine Investment Committee as it relates to each Client.

Transaction Pipeline

Through its experience in managing its existing media and entertainment related investments for its Clients since its inception in 2007, Vine has established an extensive network of relationships with banks, investors, and media and entertainment industry participants that have led to many investment opportunities. Vine expects it will generate additional transaction opportunities as a result of these relationships going forward. Vine actively seeks opportunities to invest in primary securities offerings as well as secondary market transactions that meet the established investment guidelines set forth in each Client's Partnership Agreement or Investment Management Agreement. All investment opportunities are subject to the same due diligence and approval process performed by Vine as described in more detail below.

Investment Screening

Each investment opportunity is screened in order to determine suitability with respect to compliance with the investment guidelines and return targets of each Client. This investment screening process involves a review of the terms and conditions and structure of the contemplated transaction in order to determine whether the respective investment guidelines are met and that the contemplated investment would be in line with the risk, diversification, return targets and other respective investment considerations of each Client's investment portfolio. Investment opportunities that pass the initial screening process move forward for an in-depth transaction review.

Transaction Review

Vine's underwriting team fully analyzes transaction opportunities that pass the investment screening process. The underwriting team, which includes the Principals of Vine, conducts a full step-by-step due diligence review of each investment opportunity. This due diligence entails an analysis of the respective studio, production company, independent producer, distributor, and



other relevant parties, including a review of released content that are part of the transaction under consideration, as well as information available on unreleased content that is to be financed. A key part of every transaction review process is an analysis of the terms and conditions of the transaction structure. The underwriting team pays particular attention to the cash flow waterfall and the priority of payments as outlined in the transaction documentation, the level of fees paid to third parties and the percentage ownership interest in the cash flows of the potential investments, in order to ensure alignment of interests between all parties. Terms set out in the legal documentation of each investment are utilized to populate and customize the proprietary model that is developed by the underwriting team to simulate the projected cash flows of each transaction. Where appropriate, the underwriting team uses simulations that stress test the individual transaction structures and establishes whether risk and return metrics are acceptable. Results of the underwriting team's analysis and recommendations are detailed in a standardized underwriting report that is presented to the each Client's Investment Committee for review.

Investment Committee Review

Vine's Principals, James P. Moore, William E. Lambert and Stephen A. Kovach, comprise the current members of the Investment Committee for each Client. The decisions of the Investment Committee require consensus. The Investment Committee reviews all investment opportunities that pass the initial investment screening process, whether or not recommended for approval by the underwriting team. The Investment Committee evaluates each investment opportunity based upon its risk profile, its fit within the investment portfolio, the return metrics generated by the modeling output, and the exit strategy and corresponding timing. Although certain transactions may pass the initial screening process and on a stand-alone basis may be approved by the Investment Committee, overall composition of the investment portfolio and the impact of the proposed investment to the portfolio are considered as part of the investment decision-making process.

INVESTMENT RISKS

The investment risks described below apply generally to all investments made by Vine on behalf of its Funds or other Clients. Therefore, Investors should refer to their respective partnership and operating agreements for further detail regarding their specific investment risks.

General

An investment in the Clients may not be suitable for certain investors and, in any event, an investment in the Clients should constitute only a limited part of an investor's total investment portfolio. There can be no assurance that the Clients will return a profit or that cash will be available for distributions to a Client's investors. Client investments involve a high degree of business and financial risk that can result in substantial losses.

Concentration of Investments

Each Client will participate in a limited number of investments and intends to make the majority of its investments in one industry. As a result, a Client's investment portfolio may be highly



concentrated, and the performance of a few holdings may substantially affect its aggregate return. Furthermore, to the extent that the capital raised is less than the targeted amount, a Client may make fewer investments and thus be less diversified.

Market Conditions May Limit Investment Opportunities and the Ability to Achieve Desired Diversification

The ability of a Fund to find suitable investments that adhere to the Fund's investment guidelines may be impacted by conditions in the capital markets and new developments in the market for film and other media and entertainment financing. Investment guidelines seek diversification for each Fund; however, there is no assurance that a Fund will be successful in finding sufficient suitable investments to reach these diversification targets. It is possible that a Fund will never be fully invested if enough sufficiently attractive investments are not identified. The business of identifying and investing in media and entertainment content backed transactions is highly competitive and involves a high degree of uncertainty.

Media and Entertainment Industry Risk

The motion picture, television and music industries are extremely competitive. The ability of any studio, producer, or distributor to compete successfully depends upon, among other factors, the continued availability creative ideas, projects talent or content which it can develop, produce or acquire and distribute successfully. Each creative work is an individual project whose commercial success is highly unpredictable and primarily determined by audience reaction. There can be no assurance that the audiences or the markets for media and entertainment content across all geographies and related revenue streams will remain constant.

Uncertainty of Content Distribution and Performance

The financial performance of media and entertainment content is unpredictable and may vary significantly. While each Client seeks to invest in securities relating to a broad portfolio of assets, the period-to-period performance may fluctuate significantly corresponding to the performance of assets included in a particular Client investment. Furthermore, the results of any one period may not be indicative of the results for any future period.

The successful distribution of media and entertainment content is subject to numerous uncertainties, including risks associated with the chosen release schedule and corresponding competition for consumers. Revenues may be significantly reduced depending on the timing of the release of competing content. Each Client's strategy of aligning its interests with more than one creator and distributor of content may increase the risk that investments that the Clients have an interest in are competing for the same consumers. The ability to successfully distribute media and entertainment content will depend on the capabilities of each respective distributor, but may be impacted by uncertainties beyond control of the distributor.

Competition

Creators of content, such as film and television studios and production companies, compete intensely to obtain the services of creative talent and copyrights, which may impact the costs associated with creating content. Competition for exhibition of films is also intense. The successful distribution of films the Clients have an interest in may be adversely impacted by competition from well-established companies that may have greater financial and marketing resources. There can be no assurance that the media and entertainment content underlying the Clients' investments will compete successfully with such other competitors' properties or that desired creative talent or copyrights will be obtained.

No Control Over Production

For Client investments where the Client is exposed either directly or indirectly to the performance of the content upon release, the Client is exposed to the ability of the talent, producers, directors and/or studios to create commercially appealing content. Although the Fund's Investment Guidelines are designed to align interests of the Client and other stakeholders, the Client will not have any control over decisions relating to the creative development and production of media and entertainment content. In addition, the costs of producing content affects profitability and the Client may not have control over or protections from cost overruns. Revenues may not be correlated to the costs and investment.

No Control Over Distribution

In many instances, each of the distributors shall have complete authority to license, market and exploit films or similar intellectual property rights. The Client will be reliant on the business judgment of each distributor. Additionally, studios which have created and co-own content may modify, amend, cancel, adjust and alter all agreements, exhibition licenses, rental terms, sales methods and policies relating to the distribution, exhibition and exploitation of films and any other of its rights as it may deem advisable; adjust, increase or decrease the amount of any allowance to any exhibitor or licensee for advertising and exploitation whether or not included in any theretofore existing agreement or license; license the distribution and exhibition of films (or other rights) upon percentage rental or flat rentals, or both, and jointly with other motion pictures or separately, as it shall deem desirable. Each distributor may, but shall not be required to reissue or re-release content in any part of a territory, and in its sole discretion may determine for any reason, and in respect of any part of a territory, when, where and whether content should be released, re-released or reissued and the duration of any such release, re-release or reissue. Distribution expenses and fees are generally recovered before returns are paid to investors, such as the Client, and there may be no specified limitations on the costs incurred by the respective distributors. Each distributor has the right to change its business strategy with respect to the sale or distribution of media and entertainment content.

Piracy

The media and entertainment industry as a whole is subject to intellectual property theft globally. It is impossible to measure the impact of piracy on the media and entertainment industry, however it may be significant. Technological advancements have facilitated the unauthorized reproduction of motion pictures, television shows and music through the use of digital files, which has made it more difficult to contain the loss of revenue from piracy. While the major studios, music publishing companies and various trade organizations continually seek to limit or prevent piracy, there can be no assurance that these efforts will be successful.

Labor Relations

The media and entertainment industry is subject to work stoppages or strikes organized by labor unions that could have a material adverse impact on the industry's ability to distribution content. There are no certainties that future labor negotiations will end without a work stoppage or strike. Any such work stoppage may slow creation of content and therefore affect the investment opportunities of each Client..

Not a Liquid Investment

Investments made by the Clients are generally illiquid. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. Furthermore, the expenses of operating and managing Client investments (including the annual management fee payable to Vine) may exceed its income, thereby requiring that the difference be paid from Clients' capital.

Investment in the Clients is long term in nature and only suitable for sophisticated investors who understand the risks involved. There will be no public market for the Client interests, and none is expected to develop. As a result, investors must be prepared to hold their investment for an indefinite period of time. Investor interests in the Clients will be subject to substantial legal and contractual restrictions relating to the transfer thereof, including, but not limited to, restrictions on transfer of Client interests and confidentiality provisions. In addition, generally, withdrawals of Client interest are not permitted and Client interests are not redeemable.

The term of a Fund is expected to be approximately between seven and nine years with the possibility of extensions, however, there can be no assurances that the Fund will have completely liquidated by the end of the stipulated term. The individual Fund investments may have to self-liquidate over a significantly longer time frame than nine years or investors may elect a distribution-in-kind if there is no available market in which to sell the Fund investments or if the sale of the underlying content rights cannot be successfully negotiated as originally contemplated.

Restricted Nature of Investment Positions

Generally, there will be no readily available market for a substantial number of the Client's investments, and hence, most of the Client's investments will be difficult to value. Certain investments may be distributed in kind to the investors.

Leverage

Each Client may use leverage by incurring debt to finance a portion of the Client's investments. Leverage generally magnifies a Client's opportunities for gain and its risk of loss from investments. The cost and availability of leverage is highly dependent on the state of the broader credit markets, which state is difficult to accurately forecast. During times when credit markets are tight, 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 the Client that may not be covered by distributions made to the Client or appreciation of its investments. Leverage carries the burden of debt service, and in addition, any leverage within the Client investment itself must typically be repaid before the return of capital contributions to Clients. Returns on these leveraged Client investments may be subject to the rights and priorities of investors in the more senior tranches of the capital structure, and such leverage may increase the risk that the Clients do not achieve their desired returns. The leveraged capital structure of a Client's investment will also increase the Client's exposure to any deterioration in an investment's condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of these leveraged investments in a down market. In the event Client investments cannot generate adequate cash flow to meet debt service within such Client investment or debt service of any Client borrowings, the Clients may suffer a partial or total loss of capital invested, which could adversely affect the returns of the Client. Moreover, the Client's investments generally will not be rated by a credit rating agency. Investors should refer to their respective Partnership Agreements, Investment Management Agreements or offering documents for further information.

Ability to Attract Debt Capital

The Clients' ability to borrow funds on favorable terms is uncertain. The current market conditions have limited the number of debt providers as well as the amount of debt capital available in this sector. The amount and terms of such debt financing may be impacted by a number of factors including, but not limited to, the Client's performance and market conditions. Further, the amount of indebtedness each Fund can incur is limited. The Client's success in attracting borrowed funds on favorable terms may impact the number and timing of Client investments made by the Client.

Interest Rate Risk on Underlying Investments

Fixed and floating rate investments may be financed with the Client's debt borrowings that bear interest at floating rates. Increases in interest rates may increase the financing costs of the underlying Client investments and therefore may negatively impact the amount of cash flow available to the Client. There is no assurance that interest rate hedging arrangements will be put

in place and will protect the Client against increases in interest rates. In addition, floating rate Client investments may negatively impact the amount of cash flow available to the Client should interest rates fall.

Calculations of Direct Costs, Gross Receipts, Net Receipts and Other Items

The basis for the calculation of the investment price for each underlying investment and the amounts which the Clients (through all respective Client investments) will be entitled to receive under the corresponding Client investment documentation are based upon specifically defined terms contained in each respective investment. These terms reflect the negotiated arrangement between the studios and the arrangers of the Client investment financings. While investors, such as the Clients, will have certain audit rights related to the underlying investments, that ensure payments accurately reflect the amounts due to the Clients on such investments, the Clients may be required to rely on third parties to make all calculations related to investment in or return due on Client investment interests.

Carried Interest

The existence of the Vine's Carried Interest in the Clients, which is based on a percentage of net profits, may create an incentive for more speculative investments to be made by Vine on behalf of its Clients than it would otherwise make in the absence of such performance-based arrangements.

Uncertain Economic and Political Environment

The current global economic and political climate is one of uncertainty. Prior acts of terrorism in the United States, the threat of additional terrorist strikes, recent political instability in the Middle East and Asia and the fear of global conflict have exacerbated volatility in the financial markets and can cause consumer, corporate and financial confidence to weaken, increasing the risk of a "self reinforcing" economic downturn. These uncertainties and threats may affect the markets in which media and entertainment content is distributed and the media and entertainment business generally. The availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, has been restricted. This may have an adverse effect on the ability of Clients to execute its strategies and to receive an attractive multiple of earnings. A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. These events may be unpredictable and Clients may not be able to foresee events that could have an adverse effect on the motion picture industry's ability to conduct business in a manner that will benefit the Clients. The current political environment could also create additional regulatory burdens applicable to the Clients and Clients investments, which could have an adverse effect on the Clients and Clients investments.

Disciplinary Information

Vine and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to a Client's evaluation of Vine or its personnel.



Other Financial Industry Activities and Affiliations

VAI II and VAI III are majority owned by the same Principals as Vine. These entities serve as general partner to the Funds and have delegated all investment discretion to Vine. VAI II and VAI III are registered with the SEC under the Advisers Act pursuant to Vine's registration in accordance with SEC guidance. Vine, VAI II and VAI III operate as a single advisory business. In addition, VAI II has filed as an exempt commodity pool operator with the U.S. Commodity Futures Trade Commission.

Vine currently manages six pooled investment vehicles, (the "Funds") and one separately managed account and may, in the future, manage other pooled investment vehicles and/or separately managed accounts, which may or may not be related persons of Vine. Although Vine does not have other clients at this time, Vine may, in the future, provide discretionary investment advice to other clients, which could result in a number of conflicts of interest.

Vine uses its best efforts in connection with the purposes and objectives of its Clients, and devotes as much time and effort to the affairs of its Clients as is, in its judgment, necessary to accomplish its investment objective for its Clients. The management of the Funds investment vehicles and separately managed account may result in conflicts of interest when Vine and its related persons allocate their time and investment opportunities among the Funds and the separately managed account. In addition, conflicts of interest could arise because currently Vine and its related persons earn differing amounts of compensation from each Client. Vine attempts to resolve any such conflicts of interest in light of its obligations to its investors and in accordance with any applicable permissions set forth in the applicable Fund Partnership Agreement or separately managed account agreements. In addition, Vine and its related persons may consult a Fund's advisory boards, or the Client in the case of a separately managed account. The advisory board will advise Vine and its related persons on a non-binding basis with a view to the resolution of any issues that may arise from time to time in a fair and equitable manner involving actual or potential conflicts of interest among the Funds, the separately managed account and Vine and its affiliates.

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

Vine has adopted a Code of Ethics (the "Code of Ethics"), as part of its compliance manual, which is administered and enforced by the Chief Compliance Officer ("CCO"). Vine's Code of Ethics provides that Vine and its employees are committed to conducting business in accordance with all applicable laws and regulations and in an ethical and professional manner when dealing with Clients, each other, the public, prospects, third-party service providers, colleagues in the investment profession and other participants in the capital markets. Employees are required to use reasonable care and exercise independent professional judgment when conducting



investment analysis, making investment recommendations, trading, promoting Vine's services and engaging in other professional activities.

As a fiduciary, Vine and its employees always place the interests of its Clients and the integrity of the investment profession first. Neither Vine, nor any employee should ever benefit at the expense of any Client. Employees must also practice and encourage others to practice in a professional and ethical manner that will reflect credit on themselves and the profession. They must promote the integrity of, and uphold the rules governing, the capital markets, maintain and improve their professional competence and strive to maintain and improve the competence of other investment professionals.

Employees must obtain written pre-clearance for all personal securities transactions involving limited offerings or media or entertainment securities before entering into any such transaction. Employees are prohibited from investing in any initial public offering. Employees provide initial and annual holdings reports and quarterly transactions reports with respect to reportable securities in personal accounts.

Employees are generally expected to discuss any perceived risks, or concerns about Vine's business practices, with their direct supervisor and/or the CCO. Vine will provide a copy of its compliance manual to any client or prospective client upon request.

Vine serves as the investment adviser to each Client, and a Vine affiliated entity serves as general partner, respectively, to each Fund. In addition, the Principals of Vine have significant personal investments in the Clients. Therefore, Vine may be considered to participate indirectly in transactions effected for its Clients. The foregoing relationships, fees, and any other actual or potential conflicts of interest arising therefrom are disclosed in the respective Clients' offering documents. Vine may sponsor additional pooled investment vehicles in the future and may recommend that prospective investors invest in such vehicles if the current funds are closed to new investment.

Although this has not occurred, in the future, one Client may purchase from or sell investments to another Vine Client (i.e., cross trade). Vine will effect any such transaction in accordance with its trading policy and any limitations in the applicable Clients' offering documents. All trades must be approved by Vine's Investment Committee and discussed with the relevant Clients.

Vine has established the following guidelines to mitigate the risk of insider trading by its employees and prohibit its personnel from buying and selling securities at or about the same time as Client transactions.

While Vine currently only invests in private securities and, therefore, all information it receives about such securities is non-public information, employees are strictly forbidden from engaging in any activity that could be deemed insider trading, either personally or on behalf of Vine's Clients. Employees are also strictly prohibited from passing on confidential information to others or attempting to act on such information for personal gain. Vine's Insider Trading



Policies and Procedures apply to all employees, as well as any transactions in any securities by family members, trusts, or corporations, directly or indirectly controlled by such persons. The policy also applies to transactions by corporations in which the employee is a 10% or greater stockholder, as well as transactions by partnerships of which the employee is a partner unless the employee has no direct or indirect control over the partnership.

Brokerage Practices

With respect to the Clients, Vine has discretion to select the counterparty with which to execute each private transaction.

Vine does not generally engage in traditional brokerage activities. However, to the extent Vine determines it is in the best interest of its Clients to engage in traditional securities trading, Vine is authorized to determine the broker or dealer to be used for each such investment transaction. Vine has an obligation to seek the best execution of client investment transactions whether public or private.

While not defined by statute or regulation, “best execution” generally means the implementation and execution of client transactions at the best net price considering all relevant circumstances. Although this obligation is typically referred to in the context of public securities, Vine’s obligation to seek best execution extends to the implementation of private investments, acquisitions and disposition of portfolio investments. Vine attempts to ensure that Clients pay no more than the perceived fair value for portfolio investments or other investments, as well as reasonable fees for services necessary to complete the transactions.

Vine recognizes that the analysis of execution and implementation quality involves a number of factors, both qualitative and quantitative. In implementing transactions for Clients, Vine may take into account the full range of applicable factors when hiring third party service providers or other counterparties for the purpose of completing said transactions. Factors include general expertise and background, the type and size of the transaction involved, the stability or solvency of the service provider or counterparty, settlement capabilities, time required to complete the role sought, research services or any arrangements relating to overall performance in the best interest of the Client.

Vine does not utilize any soft dollar relationships with any broker.

Vine does not consider client referrals in the selection of counterparties to source or execute investments in portfolio companies.

Vine does not permit investors to stipulate the direction of brokerage.



When the purchase and sale of a particular investment opportunity is considered to be in the best interest of more than one Client, the securities to be purchased or sold may be aggregated to obtain optimal transaction sizing and pricing.

Review of Accounts

A third-party administrator generates the periodic financial statements, investor capital account statements and accounting ledgers for all of Vine's Clients. The Clients' transactions are processed daily by the administrators at the direction of or on the basis of information provided by Vine's Director of Finance, Adam Paley, or Vine's CFO, Stephen A. Kovach. Vine's client capital accounts are reviewed by Vine's Director of Finance, and approved by Vine's CFO, on a monthly basis. Vine's third-party administrator sends the approved client capital account statements directly to Vine's investors monthly. In addition, Vine provides quarterly investor letters to the Funds' investors, which discuss the status, performance and future outlook of the Funds.

In addition, the investments held in each Client portfolio are reviewed by the Investment Committee on a monthly basis in connection with determining each Client's net asset value. Investments are reviewed to ensure compliance with the Clients' investment objectives and any investment restrictions, accurate GAAP fair market values in accordance with ASC 820-10 (formerly FAS 157) and accurate ongoing accounting.

Client Referrals and Other Compensation

From time to time, Vine may enter into solicitation arrangements pursuant to which it compensates a third party for investor referrals. The Fund, Vine Media Opportunities – Fund III, LP entered into a solicitation arrangement with Forbes Private Capital Group, and from time to time may compensate this solicitor for investor referrals. Any investor referral fee paid by this Fund or any Vine Client in relation to a solicitation arrangement will receive a dollar for dollar reduction against any Management Fee payable to Vine by such investor.

Vine intends to follow Rule 206(4)-3 under the Advisers Act, the "Cash Solicitation Rule," to the extent it engages a solicitor in the future to solicit separate managed account clients. In an interpretive letter issued to Mayer Brown LLP on July 15, 2008, the staff of the SEC indicated that referrals of investors to private funds will not be subject to the Cash Solicitation Rule. Vine does not intend to comply with the Cash Solicitation Rule with respect to solicitation of investors for its private funds, but will to solicit separate managed account clients.

Custody

Each Client's privately offered securities and cash are held in custody by a third party qualified custodian. Assets are not segregated at the Investor level but maintained at the Client level. For each of Vine's Clients, the third-party administrator and qualified custodian maintains a register of all assets held in custody. The Client's third-party administrator sends statements directly to investors, on a monthly basis of each investor level net value in the Client. Investors should carefully review such statements. Vine obtains an annual financial statement audit of each Fund, conducted in accordance with U.S. Generally Accepted Auditing Standards and prepared in accordance with U.S. Generally Accepted Accounting Principles, by an independent public accountant that is registered and inspected by the Public Company Accounting Oversight Board. Vine distributes the audited financial statements to the investors in each Fund within 120 days of the Fund's fiscal year-end. Each Fund's annual audit confirms all assets maintained by the third-party qualified custodian at the Fund level. Vine conducts extensive due diligence (which may include reference checks, on-site visits and investor recommendations) with regard to selecting and maintaining its third party administrators and qualified custodians.

Investment Discretion

Vine, as delegated by each Fund's Investment Committee and as provided pursuant to its investment advisory contract with each Fund, has discretionary authority to identify, allocate, acquire and dispose of Fund investments and, in doing so, has limited responsibility to consult with any Fund, or any investor in such Fund, prior to making any investment decision. Accordingly, investors in the Funds have limited authority to direct their investment and must depend on the investment skills and abilities of Vine. The Investment Committee reviews all investment opportunities presented to the Fund and no Fund investment may be made without the unanimous approval of the members of Vine's Investment Committee.

Vine has non-discretionary authority over its separately managed account. As such, Vine is required to obtain the Client's consent before making any investment related decisions.

Voting Client Securities

Vine's Funds and separately managed accounts generally only invest in privately-held securities. In a rare instance when an investment-related vote is needed, Vine generally has voting discretion over securities held in its Clients' names on behalf of its investors pursuant to its discretionary authority. Client investors concede their rights of management, direction, operation or voting to Vine upon entering their Clients. Vine exercises its discretion in the best interest of its Clients when making any voting decisions.



Financial Information

Vine has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage Client accounts.