

Brookfield Asset Management Private Institutional Capital Adviser (Private Equity), L.P.

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FORM ADV PART 2A BROCHURE

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This brochure (the “Brochure”) provides information about the qualifications and business practices of Brookfield Asset Management Private Institutional Capital Adviser (Private Equity), L.P. (“BAM PIC PE”). If you have any questions about the contents of this Brochure, please contact us at 212-417-7000 or BAMPIC.compliance@brookfield.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Brookfield Asset Management Inc.

ITEM 2 – MATERIAL CHANGES

The material changes reported in this Brochure are that the Adviser is expected to commence providing investment advisory services on or about April 1 2015; and certain disclosures in Item 6 and 11 regarding affiliates of the Adviser and certain potential conflicts of interests and related considerations.

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ITEM 4 – ADVISORY BUSINESS

Brookfield Asset Management Private Institutional Capital Adviser (Private Equity), L.P. (“BAM PIC PE”) was formed in March 2014 and expects to commence its investment advisory services on or around April 1, 2015 (the “Commencement Date”). Beginning on the Commencement Date, BAM PIC PE will provide investment advisory services to certain private investment funds structured as limited partnerships (and alternative investment vehicles and parallel or co-investment vehicles formed for investments made outside or alongside the limited partnerships) (each, a “Brookfield Fund”), sponsored by Brookfield Asset Management Inc. (“BAM”) or its affiliates (collectively, “Brookfield”). BAM PIC PE is a registered limited partnership under The Business Names Registration Act (Manitoba). BAM PIC PE is an indirect wholly owned subsidiary of BAM, a publicly traded Canadian corporation. Brookfield is a global alternative asset manager that owns and operates assets, and offers investment strategies (including through Brookfield Funds), with a focus on property, infrastructure, renewable energy, and private equity mainly to institutional investors.

Beginning on the Commencement Date, BAM PIC PE will identify investment opportunities for Brookfield Funds predominantly in stressed and distressed investments across the capital structure. Investment advice will be provided directly to the Brookfield Funds and not individually to the investor in the Brookfield Funds (the “Investors”). BAM PIC PE will tailor specific investment management advice for a Brookfield Fund based on the Brookfield Fund’s investment objectives, as established by BAM PIC PE and generally set out in separate investment management agreements, limited partnership agreements, private placement memoranda and/or other governing documents for each such Brookfield Fund (collectively, the “Governing Documents”).

As of December 31, 2014, BAM PIC PE did not have any assets under management.

ITEM 5 – FEES AND COMPENSATION

As compensation for the services it provides to a Brookfield Fund, BAM PIC PE or one of its affiliates will generally be entitled to an annual management fee that is typically calculated and paid quarterly in advance, subject to the terms of the fund’s Governing Documents. In addition, the General Partner of the fund will generally be entitled to performance based compensation, which typically is equal to a portion of the distributions of investment proceeds attributable to each Investor in the Brookfield Fund (other than affiliates of BAM PIC PE), subject to the terms of the applicable Governing Documents. Overall fees may vary by Brookfield Fund and are determined in accordance with the applicable Governing Documents. Each General Partner will also reserve the right to apply different fee and expense arrangements to Investors on an individual basis.

BAM PIC PE or an affiliate thereof may charge transaction fees or monitoring fees in connection with an investment for a Brookfield Fund or earn break-up fees in connection with investments that are not consummated. In addition, representatives of BAM PIC PE or an affiliate thereof may serve on the board of directors of one or more portfolio companies that a Brookfield Fund is invested in. As set out in the Governing Documents for each Brookfield Fund, up to 100% of the Investors' portion of the Brookfield Fund's allocable share of any transaction fees, monitoring fees, directors' fees or break-up fees received by BAM PIC PE or its affiliates (or, in the case of directors' fees, representatives of BAM PIC PE or an affiliate thereof) will generally be applied, net of the Brookfield Fund's allocable share of applicable expenses, to reduce the annual management fee (provided that any of these fees that would reduce the annual management fee in excess of the management fee for the applicable period may be applied to the management fee for subsequent periods).

In addition to the fees above, each Brookfield Fund will generally bear all of its operating expenses, including legal, organizational, offering expenses and other expenses, and each Investor will bears its' pro rata portion of these expenses. Organizational expenses of a Brookfield Fund may include the out-of-pocket expenses of BAM PIC PE, the General Partner and/or their agents incurred in the formation of the fund, which are often subject to a cap. Ongoing operating expenses of a Brookfield Fund generally include:

- legal, auditing, consulting and accounting fees and expenses (including costs of reports to the Investors, financial statements, tax returns and K-1s);
- expenses of meetings of any Investor advisory committee and of the Investors as may be contemplated by the Governing Documents;
- all insurance, indemnification and other unreimbursed expenses associated with the acquisition, holding and disposition of investments;
- all extraordinary expenses (such as litigation);
- interest on and fees and expenses arising out of all permitted borrowings made by the Brookfield Fund;
- all third-party expenses relating to unconsummated transactions;
- all expenses of liquidating the Brookfield Fund;
- any taxes, fees or other governmental charges levied against the Brookfield Fund and all expenses incurred in connection with any tax audit, investigation, settlement or review of the Brookfield Fund; and

- expenses and costs relating to certain government and regulatory filings (including, for example, Form PF and those relating to the Alternative Investment Fund Managers Directive (“AIFMD”), but excluding Form ADV).

The Brookfield Funds may incur brokerage and other transaction costs, as discussed more fully under “Brokerage Practices” in Item 12 below.

As noted above, the asset based management fee in respect of a Brookfield Fund will typically be paid quarterly in advance. An Investor in a Brookfield Fund that is a private investment fund is generally only permitted to withdraw from the fund under limited circumstances and will generally not be entitled to a refund of fees paid in advance in such circumstances.

Certain affiliates of BAM PIC PE, including Brookfield Private Advisors LLC (“BPAL”), a limited purpose broker-dealer that is registered with the SEC and is a member of the Financial Industry Regulatory Authority, Inc. (“FINRA”), solicit prospective investors for the Brookfield Funds. BPAL and such other affiliates are compensated in the same manner regardless of which Brookfield Fund they sell. As a result, BAM PIC PE believes that such affiliates do not have a conflict of interest or an incentive to recommend products based on compensation received as opposed to clients’ needs. While certain personnel of BPAL may sell securities and investment products sponsored by third parties, such personnel are not supervised persons of BAM PIC PE and are not involved in the solicitation of prospective investors for Brookfield Private Funds.

Brookfield is solely responsible for the payment of compensation to any affiliate that solicits prospective investors for Brookfield Funds, none of which is borne by the Brookfield Funds or their Investors. Brookfield pays its affiliates that solicit prospective investors for the Brookfield Funds out of its profits, and such payments do not increase the fees paid by the Brookfield Funds’ Investors. BAM PIC PE is not a broker-dealer and does not charge commissions or markups in addition to its investment advisory fees.

Certain Brookfield subsidiaries may be retained to perform services for a Brookfield Fund or a portfolio company in which a Brookfield Fund is invested that would otherwise be provided by third parties, such as lending, consulting, development oversight, property management, leasing, construction and design, operational, legal, financial, back-office, the provision of insurance, advisory and other services. In any such situation, the Brookfield subsidiaries will be compensated for such services. See Item 10.

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

As described above, Brookfield is generally entitled to performance based compensation from the Brookfield Funds, which is structured to comply with Rule 205-3 under the Investment Advisers Act of 1940, as amended (the “Advisers Act”), to the extent applicable. Performance based compensation arrangements may create an incentive for BAM PIC PE to recommend

investments which may be riskier or more speculative than those which would be recommended under a different compensation arrangement. Such compensation arrangements may also create an incentive for BAM PIC PE to favor higher fee paying accounts over lower fee paying accounts in the allocation of investment opportunities. BAM PIC PE does not advise clients that do not pay both a performance fee and an asset based fee, as described in Item 5 above.

BAM PIC PE or a General Partner of a Brookfield Fund may, in its discretion, offer to strategic or other investors and/or one or more Investors a portion of any investment opportunity that is within a Brookfield Fund's investment objective, and may give priority co-investment rights to certain Investors (including Brookfield and/or its affiliates and designees) who meet certain commitment amounts ("Preferred Co-Investing Partners"), as outlined in the Governing Documents of the applicable Brookfield Fund. With respect to any co-investment opportunity offered to Preferred Co-Investing Partners, Brookfield generally will be entitled to receive an acquisition fee equal to 50 bps of the enterprise value of the co-investment opportunity to be paid or borne by the participating Preferred Co-Investing Partners (other than Brookfield). Other terms and conditions of any co-investment opportunity will be as determined by the General Partner in its discretion. For the avoidance of doubt, proposed participants in co-investment opportunities may not always bear broken deal expenses, with the result that the Brookfield Fund may, in certain circumstances, bear all such broken deal expenses.

Brookfield has long-term relationships with a significant number of developers, institutions and corporations and their advisors ("Brookfield Client Relationships"). These Brookfield Client Relationships may hold or may have held investments similar to the investments intended to be made by a Brookfield Fund, including certain investments that may represent appropriate investment opportunities for the Brookfield Fund. These Brookfield Client Relationships may compete with a Brookfield Fund for investment opportunities. Brookfield will continue to represent such Brookfield Client Relationships after the establishment of any particular Brookfield Fund. In determining whether to pursue a particular opportunity on behalf of a Brookfield Fund, BAM PIC PE may consider these relationships, and there may be certain potential opportunities which would not be pursued on behalf of a Brookfield Fund in view of such relationships. In addition, a Brookfield Fund may invest or enter into joint ventures or other similar arrangements with Brookfield clients in connection with certain investments, and the relationship with such clients may influence the decisions made by BAM PIC PE with respect to such investments.

BAM PIC PE has adopted a policy reasonably designed to allocate investment opportunities on a fair and equitable basis, consistent with its fiduciary obligations and the Governing Documents of the Brookfield Funds. See Item 11.

ITEM 7 – TYPES OF CLIENTS

Beginning on the Commencement Date, BAM PIC PE's clients will be private investment funds structured as limited partnerships (and alternative investment vehicles and parallel or co-investment vehicles formed for investments made outside or alongside the limited partnerships).

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

Beginning on the Commencement Date, BAM PIC PE will pursue specific investment objectives and strategies for the Brookfield Funds based on their Governing Documents. It is expected that the Brookfield Funds advised by BAM PIC PE will seek to achieve their investment objectives generally by focusing on opportunities in industries in which Brookfield has expertise, and in businesses in need of strategic redirection and operational repositioning, employing an operations-oriented approach for value creation. The strategy is to seek control investments in mid-market companies that require a restructuring of their operations and/or capital structure. Brookfield seeks to take a leadership role through the restructuring process of each portfolio investment and add value through ongoing, active participation in management and governance.

Key risks associated with investing in the Brookfield Funds include risks associated with:

Competitive Market for Investment Opportunities. The activity of identifying, completing and realizing attractive real estate, infrastructure and private equity investments is highly competitive and involves a high degree of uncertainty. There can be no assurance that BAM PIC PE will be able to locate and complete investments which satisfy the Brookfield Funds' investment objectives, realize the value of these investments, or fully invest committed capital. Competition for such investment opportunities could come from other consortia, financial investors, and other asset managers and owners. These competitors may have financial, geographic, or strategic advantages that may reduce BAM PIC PE's competitiveness and potentially materially and adversely affect its ability to successfully conclude transactions.

Operational Risk. The long-term profitability of the assets in which a Brookfield Fund invests will be dependent upon the efficient operation, maintenance and high availability of such assets. Inefficient operations, maintenance and low availability may reduce returns to Investors.

Risk of Unsuccessful Exit Strategies. A Brookfield Fund may opportunistically sell, publicly list, distribute or otherwise dispose of portfolio investments at any time. It is not possible to predict whether an exit strategy will be advantageous or available at the appropriate time. If a

Brookfield Fund fails to execute an exit strategy successfully prior to liquidation, the Fund may be forced to liquidate its assets on terms less favorable than anticipated and the proceeds from

Currency Risk. A Brookfield Fund's investments may be subject to currency exchange rate volatility, including, without limitation, fluctuations in the rate of exchange between the U.S. dollar and the various non-U.S. currencies in which certain of the Brookfield Fund's investments may be denominated and costs associated with conversion of investment principal and income from one currency into another. It is not possible to hedge fully or perfectly against currency fluctuations affecting the value of investments denominated in non-U.S. currencies and it may not be economically feasible to do so.

Illiquid and Long-Term Investments. Although investments may generate current income, the return of capital and the realization of gains, if any, from an investment will most likely occur only upon the partial or complete disposition of such investment. While an investment may be sold at any time, it is generally expected that the disposition of most investments will not occur for a number of years after such investments are made. A Brookfield Fund generally will not be able to sell its securities publicly unless their sale is registered under applicable securities laws or will be able to sell the securities only under Rule 144 or other rules under the Securities Act which permit only limited sales under specified conditions. In addition, in some cases, a Brookfield Fund may be prohibited or limited by contract from selling certain securities for a period of time.

Hedging Transactions. A Brookfield Fund or its portfolio investment may utilize financial instruments such as forward contracts, options, swaps, caps, collars, floors and other derivatives to seek to hedge against fluctuations in the relative values of their assets as a result of changes in currency exchange rates, market interest rates and public security prices. While these transactions may reduce certain risks, the transactions themselves entail certain other risks. Hedging against a decline in the value of an investment does not eliminate fluctuations in the value of such investment or prevent losses if the value of such investment declines, but instead establishes other positions designed to gain from those same developments, thus offsetting the decline in such investment's value. These types of hedge transactions also limit the opportunity for gain if the value of such investment should increase. The success of hedging transactions will be subject to the ability to correctly predict movements in and the direction of, currency exchange rates, interest rates and public security prices. Therefore, while a Brookfield Fund or a portfolio investment may enter into hedging transactions to seek to reduce these risks, unanticipated changes in currency exchange rates, interest rates or public security prices may result in a poorer overall performance for the Brookfield Fund than if it had not engaged in any hedging transaction. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the investments being hedged may vary. Moreover, for a variety of reasons, a Brookfield Fund or a portfolio investment may not have established a perfect correlation between hedging instruments and the investments being hedged. This imperfect correlation may prevent the Brookfield Fund or a portfolio investment, as applicable, from achieving the intended hedge or expose it to risk of loss. In addition, there is no limit on the exposure that may be incurred to any single

counterparty under OTC derivative instruments, exchange listed securities, options, repurchase agreements or other similar transactions and, as a result, if any such counterparty becomes unable to pay amounts due on such instruments or transactions, the financial losses to a Brookfield Fund would be greater than if such limits were imposed. It is possible that a Brookfield Fund will leave unhedged certain investments denominated in or generating cash flow in non-U.S. currencies and in any such case, the Brookfield Fund will be exposed to risk that such currency will decline in value against the U.S. dollar during the term of the portfolio investment such that the results of such portfolio investment will be worse in U.S. dollar terms than the results based upon the local currency.

Non-U.S. Investments. A Brookfield Fund may invest globally, including investments in emerging markets. Foreign securities involve certain risks not typically associated with investing in U.S. securities, including risks relating to (a) currency exchange matters including fluctuations in the rate of exchange between the U.S. dollar and the various foreign currencies in which the Brookfield Fund's foreign investments may be denominated, and costs associated with conversion of investment principal and income from one currency into another, (b) differences between the U.S. and foreign securities markets, including potential price volatility in and relative illiquidity of some foreign securities markets, (c) the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and less government supervision and regulation, (d) certain economic and political risks, including potential exchange control regulations and restrictions on foreign investment and repatriation of capital and the risks of political, economic or social instability, (e) obtaining foreign governmental approvals and complying with foreign laws, (f) the possible imposition of foreign taxes on income and gains recognized with respect to such securities and (g) differing tax structures. Anti-fraud and anti-insider trading legislation in these countries may be rudimentary. There may be no prohibitions or restrictions on the ability of management to terminate existing business operations, sell or otherwise dispose of a portfolio investment's assets or otherwise materially affect the value of the portfolio investment without the consent of the portfolio investment's shareholders. Anti-dilution protection also may be very limited. In these countries, the concept of fiduciary duty on the part of the management or directors of companies to shareholders may be limited. The legal systems in these countries may offer no effective means for a Brookfield Fund to seek to enforce its rights or otherwise seek legal redress or to seek to enforce foreign legal judgments.

Portfolio Investment Management Risks. With respect to management at the portfolio investment level, many portfolio investments rely on the services of a limited number of key individuals, the loss of any one of whom could materially and adversely affect the portfolio investment's performance. Although BAM PIC PE expects to monitor the management of each portfolio investment, management of each portfolio investment will have day-to-day responsibility with respect to the business of such portfolio investment.

Control Position. A Brookfield Fund will generally seek investment opportunities that allow the Brookfield Fund, alone or in combination with Brookfield, to have significant influence on the management, operations and strategic direction of the portfolio investments in which it invests.

The exercise of control and/or significant influence over a company imposes additional risks of liability for environmental damage, product defects, failure to supervise management and other types of liability in which the limited liability characteristic of business operations may generally be ignored. The exercise of control and/or significant influence over a portfolio investment could expose the assets of a Brookfield Fund to claims by such portfolio investment, its security holders and its creditors. While BAM PIC PE intends to manage each Brookfield Fund in a way that will minimize exposure to these risks, the possibility of successful claims cannot be precluded.

Minority Position. A Brookfield Fund may also make minority equity investments in portfolio investments where it may have limited influence. Such portfolio investments may have economic or business interests or goals that are inconsistent with those of the Brookfield Fund and the Brookfield Fund may not be in a position to limit or otherwise protect the value of its investment in such portfolio investments. A Brookfield Fund's control over the investment policies of such portfolio investments may also be limited. This could result in the Brookfield Fund's investments being frozen in minority positions that incur substantial loss. If the Brookfield Fund takes a minority position in publicly-traded securities as a "toe-hold" investment, such publicly-traded-securities may fluctuate in value over the limited duration of the Brookfield Fund's investment in such publicly-traded-securities, which could potentially reduce returns to Investors.

Toehold Investments. A Brookfield Fund may accumulate minority positions in the outstanding debt securities or in voting stock, or securities convertible into the voting stock, of potential portfolio investments. While a Brookfield Fund will seek to achieve such accumulation through open market purchases, registered tender offers, negotiated transactions, or private placements, the Brookfield Fund may be unable to accumulate a sufficiently large position in a portfolio investment to execute its strategy. In such circumstances, the Brookfield Fund may dispose of its position in the portfolio investment within a short time of acquiring it; there can be no assurance that the price at which the Brookfield Fund can sell such securities will not have declined since the time of acquisition. Moreover, this may be exacerbated by the fact that securities of the companies that the Brookfield Fund may target may be thinly traded and that the Brookfield Fund's position may nevertheless have been substantial, although not controlling, and its disposal may depress the market price for such securities.

Fund Level and Portfolio Investment Level Borrowing. A Brookfield Fund may, from time to time, borrow money to facilitate investments. It is expected that this indebtedness, if incurred, will be secured primarily by the commitments of the Investors of the Brookfield Fund. In addition, BAM PIC PE intends to evaluate whether it is prudent and appropriate to incur this leverage and there can be no assurance that leverage will be incurred given that adverse economic factors, such as a significant rise in interest rates, may cause BAM PIC PE, in its discretion, to elect not to incur such leverage. The extent to which the Brookfield Fund uses leverage may have important consequences to the Investors, including, but not limited to, the following: (a) greater fluctuations in the net assets of the Brookfield Fund; (b) use of cash flow (including capital contributions) for debt service and related costs and expenses, rather than for

additional portfolio investments, distributions or other purposes; (c) increased interest expense if interest rate levels were to increase; (d) in certain circumstances, prematurely disposing of portfolio investments to service a Brookfield Fund's debt obligations; and (e) limitation on the flexibility of the Brookfield Fund to make distributions to its Partners or sell assets that are pledged to secure the indebtedness. There can be no assurance that a Brookfield Fund will have sufficient cash flow to meet its debt service obligations. As a result, a Brookfield Fund's exposure to losses may be increased due to the illiquidity of its portfolio investments generally. Finally, Investors whose commitments have been pledged may be called upon to fund their entire commitments to repay indebtedness and the failure of other Investors to honor their commitments may result in a Limited Partner's payments exceeding its pro rata share of the indebtedness that has been obtained by a Brookfield Fund. In addition, a Brookfield Fund's investments are expected to include portfolio investments the capital structure of which may have significant leverage. While investments in leveraged companies offer the opportunity for capital appreciation, such investments also involve a high degree of risk. Although BAM PIC PE will seek to use leverage in a manner it believes is appropriate under the circumstances, the leveraged capital structure of a portfolio investment will increase the exposure of such portfolio investment to material and adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the condition of such portfolio investment or its industry and which may impair such portfolio investment's ability to finance its future operations and capital needs and result in restrictive financial and operating covenants. As a result, such portfolio investment's flexibility to respond to changing business and economic conditions may be limited. If, for any of these reasons, a portfolio investment is unable to generate sufficient cash flow to meet principal and/or interest payments on its indebtedness or make regular dividend payments, the value of a Brookfield Fund's investment in such portfolio investment could be significantly reduced or even eliminated. In addition, it may be the intention of a portfolio investment to refinance existing indebtedness at its maturity date but such portfolio investment may not be able to do so (a) at the rate assumed based on current market conditions, in which case such refinancing may be more costly or (b) at all, in which case such portfolio investment may not have sufficient funds on hand to pay its existing lenders.

Leverage. Some of the investments of a Brookfield Fund may utilize a leveraged capital structure in which case a third party would be entitled to cash flow generated by such investments prior to the Brookfield Fund receiving a return. While such leverage may increase returns or the funds available for investment by the Brookfield Fund, it will also increase the risk of loss on a leveraged investment due to adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the conditions of the investment. If a Brookfield Fund defaults on secured indebtedness, the lender may foreclose and the Brookfield Fund could lose its entire investment in the security for such loan. Because a Brookfield Fund may engage in portfolio financings where several investments are cross-collateralized, multiple investments may be subject to the risk of loss. As a result, a Brookfield Fund could lose its interests in performing investments in the event such investments are cross-collateralized with poorly performing or non-performing investments.

Board Participation. A Brookfield Fund, either alone or in combination with Brookfield, may seek to be the sole or largest investor in portfolio investments and will generally be represented on the boards of directors of most of its portfolio investments as well as positions on advisory, operating or similar committees of such portfolio investments. Such positions may have the effect of impairing BAM PIC PE's ability to sell the related securities when and upon the terms, it may otherwise desire and may subject BAM PIC PE and the Brookfield Fund to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims and other director related claims. In general, a Brookfield Fund will indemnify BAM PIC PE from such claims.

Risk of Limited Number of Investments. Since each Brookfield Fund generally may make only a limited number of investments and since a Brookfield Fund's investments generally will involve a high degree of risk, poor performance by a few of the investments could severely affect the total returns to the Investors. In the event a portfolio investment fails to meet projections, the Brookfield Fund may suffer a partial or total loss of capital invested in that company.

Expedited Transactions. Investment analyses and decisions by BAM PIC PE may frequently be required to be undertaken on an expedited basis to take advantage of investment opportunities. In such cases, the information available to BAM PIC PE at the time an investment decision is made may be limited and BAM PIC PE may not have access to detailed information regarding the investment. Therefore, no assurance can be made that BAM PIC PE will have knowledge of all circumstances that may materially and adversely affect an investment.

Follow-On Investments. Following the initial investment in a portfolio investment, a Brookfield Fund may be called upon to provide additional funds or have the opportunity to increase its investment in such company or to fund additional investments through such company. There is no assurance that the Brookfield Fund will make follow-on investments or that the Brookfield Fund will have sufficient funds to make all such investments. Any decision not to make follow on investments or a Brookfield Fund's inability to make them may have substantial negative impact on the portfolio investment in need of such investment.

Potential Restrictive Covenants. Some Brookfield Funds may enter into a subscription credit facility with one or more lenders in order to finance the acquisition of portfolio investments. It is anticipated that any such subscription credit facility will contain a number of covenants that, among other things, might restrict the ability of a Brookfield Fund and a subsidiary, if applicable, to: (i) acquire or dispose of assets or businesses; (ii) incur additional indebtedness; (iii) make capital expenditures; (iv) make cash distributions; (v) create liens on assets; (vi) enter into leases, investments or acquisitions; (vii) engage in mergers or consolidations; (viii) make capital calls to the Investors; (ix) amend certain documents, such as the Governing Documents and a subsidiary's organizational documents, if applicable; or (x) engage in certain transactions with affiliates, and otherwise restrict activities of the Brookfield Fund (including its ability to acquire additional investments, businesses or assets, or effect certain changes of control or asset sale transactions) without the consent of the lenders. In addition, such a subscription credit facility would likely require the Brookfield Fund to maintain specified financial ratios and

comply with tests, including minimum interest coverage ratios, maximum leverage ratios, minimum net worth and minimum equity capitalization requirements. The Brookfield Fund may incur indebtedness under such subscription credit facility that bears interest at a variable rate. Economic conditions could result in higher interest rates, which could increase debt service requirements on variable rate debt and could reduce the amount of cash available for various Brookfield Fund purposes.

Risks of Multi-Step Acquisitions. In the event a transaction is to be effected by means of a multi-step acquisition, there can be no assurance that the remainder can be successfully acquired. This could result in a Brookfield Fund having only partial control over the investment or partial access to its cash flow to service debt incurred in connection with the acquisition.

Bridge Loans. From time to time, a Brookfield Fund may lend to portfolio investments on a short-term, unsecured basis in connection with an equity investment or otherwise invest on an interim basis in portfolio investments in anticipation of future issuances of equity or long-term debt securities or other refinancing or syndication. Such bridge loans will typically be convertible into more permanent, long-term securities, however, for reasons not always in the Brookfield Fund's control, the conversion of such bridge loans to long-term securities may not occur and such bridge loans may remain outstanding. In addition, the Brookfield Fund will bear the risk of any capital market fluctuations that adversely affect the ability of the Brookfield Fund or the portfolio investment to refinance or syndicate the bridge loans. If neither the Brookfield Fund nor the portfolio investment is able to refinance or syndicate the bridge loans, such bridge loans may remain outstanding. In the event bridge loans remain outstanding for greater than the planned duration, the interest rate on such bridge loans may not adequately reflect the risk associated with the unsecured position taken by the Brookfield Fund.

Investments with Third Parties. A Brookfield Fund may co-invest with third parties through joint ventures or other entities in so called "club deals". Such portfolio investments may involve risks not present in investments where a third party is not involved, including the possibility that such third-party co-venturer or partner may have investment strategies and objectives (with respect to the particular investment or their fund as a whole) which are inconsistent with those of the Brookfield Fund, may have or encounter financial difficulties after the investment is made leading to a change in investment strategies and objectives, or may be in a position to take action in a manner contrary to the Brookfield Fund's investment objectives. In the event a third-party co-venturer defaults on its funding obligations to a portfolio investment, the Brookfield Fund may be required to make additional capital contributions to such company to replace the shortfall caused by such third-party co-venturer. In addition, a Brookfield Fund may in certain circumstances be liable for the actions of its third-party co-venturers or partners. It may also be more difficult for the Brookfield Fund to sell its interest in any joint venture, partnership or entity with other owners than to sell its interest in other types of investments. Co-venturers or partners may possess joint approval rights with the Brookfield Fund with respect to major decisions concerning the management and disposition of a portfolio investment, which would increase the risk of deadlocks. A deadlock could delay the execution of the business plan for the investment or require the Brookfield Fund to engage in a buy-sell of

the portfolio investment with the co-venturer or partner or conduct the forced sale of such investment. As a result of these risks, a Brookfield Fund may be unable to fully realize its expected return on any such investment.

Nature of Distressed Investments. A Brookfield Fund may purchase securities and other obligations of companies that are experiencing significant financial or business distress, including companies involved in bankruptcy, reorganization or liquidation proceedings. Investing in distressed securities involves a substantial degree of risk, even as compared to other private equity fund investment strategies. Each of these investments must be considered purely speculative by any potential investor. Such securities and obligations are subject to the significant risk of an issuer's inability to meet principal and/or interest payments on its obligations as they become due (credit risk) and the risk of price volatility due to factors such as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (market risk). There can be no assurance that BAM PIC PE or its affiliates will correctly evaluate the nature and magnitude of a prospective investment's credit risk, market risk and the various other factors and uncertainties that could affect the value of such investment. There are a significant number of risks inherent in any bankruptcy process, including proceedings under the Companies' Creditors Arrangement Act in Canada and Chapter 11 of the U.S. Code in the United States. Most actions and outcomes in bankruptcy are the product of contested matters and adversarial proceedings determined by a court which has been granted equitable power to impose a variety of remedies on stakeholders, almost all of which are beyond the control of creditors. The effect of a bankruptcy filing on a portfolio investment may adversely and permanently affect such company through the loss of key employees, suppliers and overall market presence. The duration of any bankruptcy case is difficult to predict and, as such, the return on investment realized by any creditor will be adversely affected by delays in negotiating, approving and confirming the plan of reorganization. As the length of any bankruptcy increases, the creditors' costs in monitoring and enforcing its claim also substantially increase. Administrative costs of bankruptcy, including the costs and expenses of official or unofficial committees, can be significant in magnitude as compared to the value of the portfolio investment emerging from bankruptcy. In addition, such costs are frequently paid out of the debtor's estate prior to any return to general unsecured creditors. Certain claims that have priority by law (for example, claims to taxes) also may be significant. Finally, under certain circumstances, creditors' claims against bankrupt or insolvent entities are subject to equitable subordination or re-characterization as equity (particularly where the creditor is an insider or otherwise controls the debtor as may often be the case with many of the Brookfield Fund's investments), and transfers made to creditors may be subject to avoidance and disgorgement as preferences or fraudulent conveyances.

Junior, Unsecured Securities. Any debt securities in which a Brookfield Fund will invest may be unsecured and subordinated to substantial amounts of senior indebtedness, all or a significant portion of which may be secured. In the event of the bankruptcy or liquidation of an issuer of such securities, there may not be enough proceeds to repay the holders of such securities following repayment to the holders of senior indebtedness. In addition, such securities may not

be protected by financial covenants or limitations upon additional indebtedness, thereby providing less control over the investment, and may have limited liquidity.

All of the other material risks associated with investing in a Brookfield Fund will be described in the Governing Documents of each Brookfield Fund. Investing in securities involves risk of loss that clients should be prepared to bear, **INCLUDING THE RISK OF LOSS OF THE ENTIRE INVESTMENT.**

ITEM 9 – DISCIPLINARY INFORMATION

The event disclosed herein does not involve a “management person” of BAM PIC PE. BAM PIC PE is disclosing this event as it may relate to a client’s or prospective client’s assessment of BAM PIC PE’s advisory business.

Criminal and civil charges have been filed against certain Brazilian employees of a BAM affiliate based in Brazil (“Brazil Affiliate”). These proceedings involve allegations of misconduct regarding certain permits and licenses granted between 2008 and the end of 2009 for expansions and renovations of shopping malls in Brazil. The allegations were made by a former employee of the Brazil Affiliate who was terminated for fraud and against whom there is an ongoing lawsuit and criminal investigation. The allegations were that payments made to municipal planning consultants hired during mall construction to obtain necessary licenses and permits, and ensure that projects adhere to municipal codes and regulations, were used by them to bribe municipal officials. The civil action was filed on February 5, 2013 and the criminal action was formally accepted by the judge on February 15, 2013. It is general practice in Brazil to file civil charges in conjunction with criminal charges. The civil and criminal charges are based on the same underlying allegations made by the former employee. The employees of the Brazil affiliate named in the lawsuits deny any wrongdoing. Brookfield brought the allegations to the attention of the risk management committee of its board of directors and launched an independent investigation by a major New York based law firm to ascertain if there was any evidence to support the allegations. The investigation last eight months and was comprehensive and thorough. The investigation was completed and the information available does not support the payments made by the Brazil Affiliate to consultants were used to pay bribes to municipal officials.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

BAM PIC PE is an indirect wholly-owned subsidiary of BAM, a publicly owned Canadian corporation. BAM owns, operates and manages investments in real assets, with a focus on property, infrastructure, renewable energy, and private equity in North and South America, Australasia and Europe. BAM also offers investment strategies focused on such real assets (including through Brookfield Funds) mainly to institutional investors.

BAM SUBSIDIARIES:

Certain BAM subsidiaries may be retained to perform services for a Brookfield Fund or a portfolio company of a Brookfield Fund that would otherwise be provided by third parties, such as lending, consulting, development oversight, property management, leasing, construction and design, operational, legal, financial, back-office, the provision of insurance, advisory and other services. In any such situation, the BAM subsidiaries will be compensated for such services. BAM PIC PE discloses such arrangements in the Brookfield Funds' Governing Documents and, where necessary, obtains consent from the applicable Brookfield Fund's Limited Partner advisory committee with respect to the compensation for such services. Any compensation received in connection with these services generally is not required to be shared with the Brookfield Funds or the Investors. The fee potential, both current and future, inherent in a particular transaction could be an incentive for BAM PIC PE to seek to refer or recommend a particular transaction to a Brookfield Fund. Services by Brookfield subsidiaries are generally provided when BAM PIC PE believes that (a) such services are on an arm's length basis and (b) it is advantageous for the Brookfield Fund as compared to engaging a third party service provider (among other reasons because the services may be more expedient, superior and/or cost effective).

PLACEMENT AGENT AFFILIATES:

As indicated in Item 5 above, certain affiliates of BAM PIC PE may solicit and obtain commitments from prospective investors to Brookfield Funds.

BAM AFFILIATED ADVISERS:

BAM PIC PE is an affiliate of Brookfield Asset Management Private Institutional Capital Adviser US, LLC (together with its Relying Advisers and Participating Affiliates, "*BAM PIC US*"), Brookfield Asset Management Private Institutional Capital Adviser (Credit), LLC ("*BAM PIC Credit*"), Brookfield Asset Management Private Institutional Capital Adviser (Canada), L.P. (together with its Participating Affiliates, "*BAM PIC Canada*"), and Brookfield Brasil Asset Management Investimentos Ltda. ("*BBAMI*"). BAM PIC US, BAM PIC Credit and BAM PIC Canada are registered with the SEC as investment advisers under the Advisers Act and BBAMI is an exempt reporting adviser. Each of BAM PIC US, BAM PIC Credit, BAM PIC Canada and BBAMI (together, the "*BAM Affiliated Advisers*") serve as investment adviser or sub-adviser to Brookfield Funds (together, the "*BAM Affiliated Advisers*"). Brookfield Investment Management Inc. ("*BIM*"), a registered investment adviser, is a separately operated subsidiary of BAM. BIM focuses on publicly-traded fixed income, global real estate and infrastructure equities for institutional and retail clients.

Certain members of BAM's senior management and members of BAM PIC PE perform similar functions for the BAM Affiliated Advisers. BAM PIC PE may enter into sub-advisory relationships with one or more of the BAM Affiliated Advisers from time to time generally for regional

specific advice. In addition, the BAM Affiliated Advisers may continue to organize other investment products and provide services to such products (as the general partner, investment manager or equivalent).

BAM PIC PE does not have any employees. It provides advisory services using individuals employed by certain of its affiliates, including certain non-US affiliates, through an arrangement pursuant to which such individuals are deemed to be associated persons of BAM PIC PE and are subject to the supervision of BAM PIC PE.

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

BAM PIC PE has adopted a code of ethics (the “*Code of Ethics*”) in accordance with Rule 204A-1 under the Advisers Act. The Code of Ethics will include provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised employees at BAM PIC PE are required to acknowledge the terms of the Code of Ethics upon commencement of employment with Brookfield and annually thereafter.

Under the Code of Ethics, BAM PIC PE’s supervised persons are expected to, among other things:

- Always observe their fiduciary duties to investment management clients.
- Not take personal opportunities that are discovered through the use of property or information of the company or through their role with Brookfield.
- Protect the confidentiality of “non-public information” concerning the company or about customers, clients, investees and others.
- Not trade in the company’s securities or any other company’s securities if they possess material “non-public information” or during a blackout period.

Generally, supervised persons of BAM PIC PE are either prohibited from engaging in personal trading activities or are required to obtain pre-clearance of all transactions in their own personal discretionary accounts as well as discretionary accounts held by relatives that are members of their household. In addition, supervised persons will be required to report all investment holdings in these accounts and will be required to report all transactions in securities, with limited exceptions, to the Chief Compliance Officer no later than 30 days after the end of the calendar quarter.

Clients or prospective clients will be able to request a copy of the firm's Code of Ethics by contacting BAMPIC.compliance@brookfield.com.

ITEM 12 – BROKERAGE PRACTICES

BAM PIC PE generally has discretionary authority to determine, without obtaining specific client consent, the investments (including in securities) and the amount thereof to be bought or sold for a Brookfield Fund, subject to the conditions and restrictions contained in a Brookfield Fund's Governing Documents.

The Brookfield Funds advised by BAM PIC PE generally do not conduct frequent transactions in publicly-traded securities requiring the use of a broker. In determining the brokers through whom, and commission rates and other transaction costs at which, securities transactions for the Brookfield Funds are to be executed, BAM PIC PE seeks to negotiate a combination of the most favorable commission and the best price obtainable, taking into account execution capability and trading expertise consistent with the effective execution of the transaction. BAM PIC PE does not generally use "soft dollars" to receive research or other products or services other than execution in connection with client securities transactions.

BAM PIC PE did not acquire any products or services (other than execution) with client brokerage commissions during the last fiscal year.

BAM PIC PE does not consider, in selecting broker-dealers, whether the broker-dealer has referred clients to BAM PIC PE or an affiliate and does not permit a client to direct brokerage to particular broker-dealers.

In the event that orders for the same security for more than one client are placed with the same broker, BAM PIC PE may aggregate or "bunch" such orders across client accounts (including accounts advised by certain affiliates), although it will have no obligation to do so. If orders are aggregated, they will be allocated across the client accounts so that no account will be treated less favorably than another over time. While in some cases the aggregation of orders could have a detrimental effect upon the price or value of a security for a particular account, or upon the ability to complete an entire order, in other cases coordination and the ability to participate in volume transactions may be beneficial to the account. BAM PIC PE may in its discretion choose not to aggregate orders, for example, where portfolio management decisions for clients are made separately or where aggregation could result in less favorable execution for a particular client.

ITEM 13 – REVIEW OF ACCOUNTS

Beginning on the Commencement Date, the Brookfield Funds' accounts and investment positions will be monitored on a current basis, and a complete list of the accounts and positions will be more formally reviewed as necessary. Such reviews will be conducted by one or more members of a Brookfield Fund's investment committee. Brookfield Funds will be audited on a yearly basis by a firm of independent public accountants.

Certain events may require an account review other than the periodic reviews. Such events include a transfer or withdrawal of an Investor interest in a Brookfield Fund or a material change in the business of a portfolio investment.

BAM PIC Credit makes available the books and records of a Brookfield Fund to its Investors as provided in its Governing Documents. In addition, BAM PIC Credit generally assists the General Partner of each Brookfield Fund in the preparation of the following written reports to each Limited Partner of a Brookfield Fund:

- within a period ending no later than 120th day after the end of the fiscal year an annual report with audited financial statements of the Brookfield Fund including an overview of the investment activities of the Brookfield Fund during the fiscal year covered by the annual report; and
- within a period generally ending no later than the 60th day after the end of each of the first three fiscal quarters of each fiscal year, (i) an overview of the Brookfield Fund's investments, (ii) a statement showing the distributions to each Limited Partner during the applicable fiscal quarter, (iii) a reconciliation of changes in the capital accounts of the Investors during the immediately preceding fiscal quarter and (iv) a description of any material event regarding the business of the Brookfield Fund or dispositions of investments during the quarter covered by the report.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

As described above in Item 5 above, certain supervised persons of BAM PIC PE are registered principals/representatives of BPAL and may obtain subscriptions from prospective investors to Brookfield Funds while acting in that capacity. BPAL is a limited service securities broker-dealer registered with the SEC and a member of FINRA.

ITEM 15 – CUSTODY

Beginning on the Commencement Date, BAM PIC PE will be deemed to have custody, as defined under Rule 206(4)-2 under the Advisers Act, of funds or securities of the Brookfield Funds. BAM PIC PE will rely on the "audit exemption" under Rule 206(4)-2(b)(4) under the

Advisers Act, which exempts an adviser to a limited partnership, limited liability company or other pooled investment vehicle from the requirement to deliver account statements to its clients if the adviser requires the vehicle to be audited annually by an independent public accountant that is registered with the Public Company Accounting Oversight Board and distributes the audited financial statements annually to the investors in the vehicle.

ITEM 16 – INVESTMENT DISCRETION

Beginning on the Commencement Date, BAM PIC PE will have discretionary authority to manage the portfolios of Brookfield Funds. It is not expected that the investment management agreements with Brookfield Funds will place limitations on BAM PIC PE's authority to manage the portfolios within the objectives set out in the applicable Governing Documents.

ITEM 17 – VOTING CLIENT SECURITIES

Beginning on the Commencement Date, BAM PIC PE may be deemed to have authority to vote proxies relating to the portfolio investments in which the Brookfield Funds invest. As of the registration date, BAM PIC PE will have adopted a set of policies and procedures (together, the "*Policy*") in compliance with Rule 206(4)-6 under the Advisers Act. To the extent BAM PIC PE exercises or is deemed to be exercising voting authority over Brookfield Fund securities, the Policy will be designed and implemented in a manner reasonably expected to ensure that voting with respect to proxy proposals, amendments, consents or resolutions (collectively, "*proxies*") is exercised in a manner that serves the best interest of the Brookfield Fund, as determined by BAM PIC PE in its discretion.

As of the Commencement Date, Investors will be able to request a copy of the Policy and the voting records relating to proxies of the Brookfield Fund in which they have invested by contacting BAM PIC PE.

ITEM 18 – FINANCIAL INFORMATION

Not applicable.