



Part 2A of Form ADV: GLS Capital, LLC – Adviser Brochure

Item 1. Cover Page

December 4, 2018

This Brochure (the “Brochure”) provides information about the qualifications and business practices of GLS Capital, LLC (“GLS,” the “Adviser,” the “Firm,” “we,” “us” or “our”). If you have any questions about the contents of this brochure, please contact us at (312) 416-8556. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about GLS Capital, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The Adviser’s CRD number is 298976.

GLS is registered as an investment adviser with the SEC pursuant to the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Recipients of this Brochure should be aware that registration with the SEC does not in any way constitute an endorsement by the SEC of an investment adviser’s skill or expertise. Further, registration does not imply or guarantee that a registered investment adviser has achieved a certain level of skill, competency, sophistication, expertise or training in providing advisory services to its clients.

GLS Capital, LLC

444 West Lake Street, Suite 1700
Chicago, Illinois 60606
(312) 416-8556
www.glscap.com

Item 2. Material Changes

This Adviser Brochure, dated December 4, 2018, is our disclosure document and initial Brochure. As required, future brochures will discuss material changes since the last annual update. On December 4, 2018 the Adviser filed its registration application with the U.S. Securities and Exchange Commission (“SEC”). As of the date of this Brochure, the Firm does not advise any clients and all descriptions included herein are prospective in nature and based upon the Firm’s current intentions and beliefs with respect to its future business operations.

We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

IMPORTANT NOTE ABOUT THIS DISCLOSURE BROCHURE

This Disclosure Brochure is not:

- *an offer or agreement to provide advisory services to any person*
- *an offer to sell interests (or a solicitation of an offer to purchase interests) in any Issuer*
- *a complete discussion of the features, risks or conflicts associated with any Issuer*

As required by the Advisers Act, GLS provides this Brochure to current and prospective clients and may also, in its discretion, provide this Brochure to current or prospective investors in a pooled investment vehicle managed by GLS, together with other relevant governing documents, such as the pooled investment vehicle's private placement memoranda, offering circular or prospectus and statement of additional information, prior to, or in connection with, such persons' investment in the pooled investment vehicle.

Although this publicly available Brochure describes investment advisory services and products of GLS, persons who receive this Brochure (whether or not from GLS) should be aware that it is designed solely to provide information about GLS as necessary to respond to certain disclosure obligations under the Advisers Act. As such, the information in this Brochure may differ from information provided in relevant governing documents. More complete information about each pooled investment vehicle is included in relevant governing documents, certain of which may be provided to current and eligible prospective investors only by GLS. To the extent that there is any conflict between discussions herein and similar or related discussions in any governing documents, the relevant governing documents shall govern and control.

This Brochure includes information about GLS and its relationships (including the relationships it expects to have) with clients and affiliates. While much of this Brochure applies to all such clients and affiliates, certain information included herein may only apply to specific clients (or may apply to future clients) or affiliates only. This brochure does not constitute an offer to sell or solicitation of an offer to buy any securities.

The descriptions set forth in this Brochure of specific advisory services that GLS offers to its clients, investment strategies pursued, and investments made by GLS on behalf of its clients, should not be understood to limit in any way GLS' investment activities. GLS may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that GLS considers appropriate, subject to each client's investment policies, objectives and guidelines. The investment strategies GLS pursues are speculative and entail substantial risks. Clients should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any client will be achieved.

Item 3. Table of Contents

Item 1. Cover Page.....	1
Item 2. Material Changes	2
Item 3. Table of Contents.....	4
Item 4. Advisory Business	5
Item 5. Fees and Compensation	7
Item 6. Performance-Based Fees and Side-By-Side Management.....	10
Item 7. Types of Clients	11
Item 8. Methods of Analysis, Investment Strategies and Risk of Loss.....	12
Item 9. Disciplinary Information.....	21
Item 10. Other Financial Industry Activities and Affiliations Related General Partners.....	22
Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	23
Item 12. Brokerage Practices	25
Item 13. Review of Accounts Oversight and Monitoring	27
Item 14. Client Referrals and Other Compensation	28
Item 15. Custody	29
Item 16. Investment Discretion	30
Item 17. Voting Client Securities.....	31
Item 18. Financial Information	32

Item 4. Advisory Business

The Adviser is a Delaware limited liability company, based in Chicago, IL, together (where the context permits) with its affiliated general partner of the Fund (as defined below) and other affiliates that provide advisory services to and/or receive advisory fees from the Fund. Such affiliates are currently and would typically be under common control with GLS Capital, LLC. These affiliates have been and may in the future be formed for tax, regulatory or other purposes in connection with the organization of the Fund. One or more of these affiliates currently serve as the general partner of the Fund.

The Adviser provides investment supervisory services to a pooled investment vehicle, together with any related feeder, parallel, alternative or special purpose vehicles (the “Fund”) which is exempt from registration under the Investment Company Act of 1940, as amended, and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”) and separately managed accounts for institutional clients and high net worth individuals (referred to herein as the “Managed Accounts” and collectively with the Fund, the “Clients”).

The Adviser intends to focus on attractive litigation finance investments focused on commercial litigation and arbitration and patent-related disputes. (“Portfolio Investments”). Generally, the Adviser’s advice with respect to its Clients will be limited to such investments. The Adviser’s advisory services consist of investigating, identifying, and evaluating investment opportunities, structuring, negotiating, and making investments on behalf of the Clients, managing and monitoring the performance of such investments, and disposing of such investments. The Adviser serves as the investment adviser to its Clients in order to provide such services.

The investment objectives, strategies, terms, conditions and restrictions applicable to (i) the Fund are described in their respective confidential memorandum and governing documents (referred to collectively as “Governing Documents”) and (ii) the Managed Accounts are set forth in the investment management agreement between the institutional client and the Adviser (the “Advisory Agreement”).

An investment in a Fund does not, in and of itself, create an advisory relationship between an investor in the Fund and the Adviser. Investors generally are not permitted to impose restrictions or limitations on the management of the Fund. The Adviser and the Fund may from time to time in the future enter into side letter agreements or similar arrangements with certain investors in a Fund that have the effect of establishing rights and/or otherwise benefitting such investors in a manner that is more favorable in various material respects than the rights and benefits established in favor of the investors generally pursuant to the Governing Documents. Such rights or benefits in a side letter or similar arrangement may include, without limitation, (i) capacity rights, (ii) preferential information or reporting or transparency rights, (iii) most favored nation status, (iv) lower or different management fees and/or performance allocations, (v) preferential withdrawal or liquidity rights and (vi) various other preferential or favorable rights, terms or benefits.

The underlying investor of a Managed Account may impose investment guidelines, limitations and other restrictions or terms on the management of its Managed Account pursuant to the Advisory Agreement. The Managed Accounts may also have certain portfolio liquidity, concentration and exposure limits, in addition to being prohibited from trading specified instruments, without the prior written consent of the underlying investor of the Managed Accounts.

The Adviser was formed in April 2018 and is owned by Adam Gill, David Spiegel, and Jamison “Jamie” Lynch (each a “Managing Director” and collectively the “Managing Directors”) The Adviser manages a total of \$0 of client assets as of December 4, 2018.

The Adviser does not participate in a wrap fee program.

Item 5. Fees and Compensation

In consideration of its advisory services, the Adviser generally is entitled to receive management fees and performance-based compensation with respect to Clients. The fees and expenses applicable to the Fund are set forth in detail in their respective Governing Documents and the fees and expenses applicable to the Managed Accounts are set forth in the Advisory Agreement. However, a summary of the Adviser's basic fee schedule is set forth below.

The Fund

Management Fee. The Fund will pay to the Adviser (or its designee) an investment management fee (the "Management Fee") quarterly, in advance, on a Limited Partner-by Limited Partner basis as provided in the Governing Documents. The Management Fee, where defined, generally will be assessed at a rate between 0% and 2% of commitments during the Commitment Period (as such term is defined in the Governing Documents). During the Post-Commitment Period (as such term is defined in the Governing Documents), the Management Fee will be a percentage of the aggregate amount of capital (i) that the Fund committed to invest in Portfolio Investments during the Commitment Period and (ii) that the Fund invests in follow-on investments in Portfolio Investments during the Post-Commitment Period (without double-counting). Generally, Fund investors may not withdraw from the Fund prior to dissolution or transfer any of their interests in a Fund without the prior written consent of the general partner. The Management Fee obligation of the Fund, and its investors, may only be terminated or modified as provided by the Fund's governing documents. The General Partner of the Fund may elect to waive or charge a higher or lower management fee in certain situations. The Adviser may elect to pay certain Fund Expenses, subject to adjustment, pursuant to the offset provisions with respect to the Management Fee. For additional information, please refer to the Governing Documents for the Fund which may contain different management fee provisions and payment structures than that described above.

Carried Interest. The Adviser or its affiliates typically receive Carried Interests allocations from the Fund of up to 20% of investment proceeds from the Portfolio Investments. Carried Interests allocations may be subject to hurdles and/or claw-backs, depending on, among other things, the returns generated by the Fund. Any Limited Partner interests held by the GLS Persons (as such term is defined in the Governing Documents), will not be subject to any Carried Interest or Management Fee. For additional information, please refer to the specific Governing Documents for the Fund which may contain different carried interest provisions and payment structures than that described above.

Organizational Expenses. The Fund will pay, up to a an agreed upon amount, travel and printing, legal, capital raising, accounting, regulatory compliance, and any administrative or other filings incurred in connection with the formation, organization, funding and startup of the Fund, the General Partner, the Adviser, and any affiliated management companies, but not including the routine compliance costs of the General Partner or the Adviser under the Advisers Act or any similar law, rule or regulation; provided that any such organizational, funding and startup costs and expenses in excess of such agreed upon amount shall be borne by the General Partner and the Adviser through a one hundred percent (100%) offset against the Management Fee.

Fund Expenses. Except as noted otherwise, the Fund will pay all fees, costs, expenses, liabilities and obligations relating to the Fund and/or its activities, business, or actual or potential investments, including, but not limited to, all fees, costs, expenses, liabilities and obligations relating or attributable to: (a) activities with respect finding, originating, acquiring, managing, and disposing of the Fund's actual and potential investments; (b) indebtedness of, or guarantees made by, the Fund, the General Partner, the Adviser, or any GLS Person on behalf of the Fund; (c) legal, accounting, research, auditing, administration, information, appraisal, advisory, valuation, consulting, tax, and other professional services; (d) Broken Deal Expenses (as such term is defined in the Governing Documents); (e) insurance and regulatory expenses; (f) filing, title, transfer, registration and other similar fees, and expenses; (g) printing, communications, marketing, and publicity; (h) the preparation, distribution or filing of Fund-related or investment-related financial statements or other reports, tax returns, tax estimates, Schedule K-1s, or any other administrative, compliance or regulatory filings or reports, or other information, including fees and costs of any third-party service providers and professionals related to the foregoing; (i) developing, licensing, implementing, maintaining or upgrading any web portal, extranet tools, computer software, or other administrative or reporting tools for the benefit of the Fund or the Limited Partners; (j) any activities with respect to protecting the confidential or non-public nature of any information or data; (k) activities or proceedings of the Advisory Committee; (l) indemnification and dispute resolution costs; (m) any annual Limited Partner meeting or other periodic meetings of the Limited Partners; (n) the termination, liquidation, winding up or dissolution of the Fund; (o) any taxes, fees and other governmental charges levied against the Fund and all expenses incurred in connection with any tax audit, investigation settlement or review of the Fund; (p) compliance or regulatory matters related to the Fund, except as otherwise set forth in the Governing Documents; and (q) any travel, lodging, meetings or meals relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities. The foregoing list of Fund Expenses is meant to be illustrative and not limiting or exhaustive. For additional information regarding Fund Expenses, please refer to the relevant Governing Documents or Advisory Agreement.

General Partner Expenses. In consideration for the Management Fee, the General Partner or the Adviser shall be responsible for and pay all ordinary expenses of its operations incidental to the administration of the fund, except for those expenses borne directly by the Fund. Such normal operating expenses to be borne by the General Partner or the Adviser shall include, without limitation, all costs and expenses relating to office space, facilities, utility services, supplies and necessary administrative and clerical functions, expenditures on account of salaries, wages, and other expenses of the General Partner's or the Adviser's members, managers and employees, and expenses generally incurred in the general operations of the General Partner or the Adviser. Any and all placement fees shall be paid by the Fund, but borne by the General Partner or the Adviser through a one hundred percent (100%) off-set against the Management Fee

The Managed Accounts

Management Fee. The Adviser may receive an advisory fee (payable on a periodic basis in advance or in arrears) equal to a percentage of the total capital commitment of the Managed Accounts. The advisory fees with respect to the Managed Accounts may be negotiated separately with such institutional client based upon a variety of factors. Management fees for partial periods generally are prorated, as appropriate, based upon the number of days elapsed during such period.

Generally, advisory fees with respect to the Managed Accounts will be paid to the Adviser no later than 30 days from each calendar quarter-end.

Carried Interest. The Adviser or its affiliates typically receive Carried Interests allocations from the Managed Accounts of up to 20% of distributable cash of each Portfolio Investment. Carried Interests allocations may be subject to hurdles and/or claw-backs, depending on, among other things, the returns generated by the Fund.

Other Fees and Expenses. In addition to management fees and/or performance-based fees, the Managed Accounts generally bear (and reimburses the Adviser or its affiliates, if applicable, for) all costs and expenses relating to or associated with the Managed Accounts' investment activities, including, but not limited to, all costs and expenses relating to Portfolio Investments or prospective investments for the Managed Accounts, withholding taxes, interest expenses, and other transaction costs, custody fees and administration fees.

Generally, for the Managed Accounts, the Adviser bears all of its standard operating expenses arising out of the performance of its duties, including all of its general overhead, travel, salary and office expense (which include the rent of the offices which the Adviser occupies, maintenance of its book and records, and its fixed expenses, telephones and general purpose office equipment), unless otherwise agreed to in writing.

Compensation for the Sale of Securities or Other Investment Products

Neither the Adviser nor any of its supervised persons accept compensation for the sale of securities or other investment products.

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

As detailed above in *Item 5* (Fees and Compensation), the Adviser generally is entitled to receive performance-based compensation with respect to each of the Clients. These payments are subject to Section 205(a)(1) of the Advisers Act, in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3, which requires that performance-based fees only be charged to “qualified clients” (as such term is defined in Rule 205-3). Performance-based fee arrangements may create an incentive for the Adviser to recommend investments which may be riskier or more speculative than if only asset-based management fees were charged. The Adviser addresses these conflicts through their investment allocation policy and full and fair disclosure in the applicable account and/or Governing Documents and/or this Brochure.

Certain Client accounts may have higher asset-based fees or more favorable performance-based compensation arrangements than other accounts. Because the Adviser manages more than one Client account, a potential conflict exists for one Client to be favored over another and to provide preferential treatment in terms of time, resources, and investment opportunities to Clients that pay the Adviser a higher fee. The Adviser is focused on monitoring the allocation of investment opportunities in such situations and endeavors to resolve any material conflict with respect to the allocation of investment opportunities. The Adviser has adopted and implemented policies and procedures intended to address these types of conflicts of interest, and in an attempt to ensure that all Clients are treated in a fair and equitable manner with respect to the allocation of investment opportunities. The general policy of the Adviser is to allocate investment opportunities to and among all Clients in a fair and equitable manner under the circumstances and, in general, each Client will participate in each investment opportunity.

Item 7. Types of Clients

As discussed in *Item 4* (Advisory Business), the Adviser provides investment advisory, management and other services to the Fund, which is an affiliated pooled investment vehicle, and Managed Accounts for institutional clients. The Adviser may in the future provide investment advice and other services to other clients or types of clients.

The Adviser does not have a minimum size for the Fund, but minimum investment commitments are typically \$5 million for each investor in the Fund. GLS may in the future, in its sole discretion, permit investments below the minimum amounts set forth in the Governing Documents of the Fund.

Managed Account Clients are required to enter into an Advisory Agreement that, among other things, sets forth the nature and scope of the investment advisory authority of the Adviser and the investment objectives, guidelines and restrictions applicable to the management of the Managed Accounts. The Adviser does not have a minimum account size for Managed Account clients. The account size is subject to the Adviser's discretion on a case by case basis.

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

Methods of Analysis and Investment Strategies

GLS believes its investment strategy, based on the Managing Director's experience and comprehensive investment capabilities, is differentiated and well-suited to capitalize on the attractive opportunities currently available in the litigation finance environment. The Adviser intends to seek to originate, underwrite, structure, execute and manage high-value, attractive commercial litigation finance investments.

The investments will generally involve commercial litigation and arbitration and patent-related disputes. Each of the investment strategies will be led by one of the Managing Directors utilizing their respective experience originating, underwriting, structuring, executing and managing the same type of high-value litigation finance investments. The commercial litigation investments will generally involve business-to-business disputes. The patent litigation investments will involve providing capital to a patent owner or its law firm for patent infringement litigation, where the patent owner alleges infringement of one or more patents. GLS may also opportunistically invest in the purchase of patent portfolios, which are expected to be monetized through licensing and litigation. In addition, GLS may also provide capital to generic pharmaceutical companies to finance litigation against a branded pharmaceutical company and branded pharmaceutical companies asserting patents against generic pharmaceutical companies. Finally, GLS may opportunistically invest in matters that involve a generic pharmaceutical company developing generic products in which there are no unexpired brand-owned patents. Investments may be made with respect to individual cases or portfolios of cases.

The investment strategies summarized above are not intended to be comprehensive and are qualified in their entirety by the information set forth in the applicable Governing Documents or the Advisory Agreement.

Risks

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

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

Investment Risks

Investment Hypothesis; No Assurance of Investment Returns; Risk of Loss. GLS' investment hypothesis may not be correct. Furthermore, GLS' task of identifying and evaluating investment opportunities, monitoring such investments and realizing a significant return for the Clients is difficult. Many organizations operated by persons of competence and integrity have been unable to make, manage and realize investments successfully. There is no assurance that GLS will be able to invest its capital on attractive terms or generate returns for its Clients. GLS' investment program may utilize leverage, which can, in certain circumstances, increase the adverse impact to which the Client's portfolio may be subject. Investing involves a high degree of risk, including the risk that the entire amount invested may be lost.

Retention and Motivation of Key Personnel. The Clients' performance is largely dependent on the talents and efforts of highly skilled individuals to conduct the ongoing business of the Clients and to evaluate and assess Portfolio Investments and prospective Portfolio Investments from a legal, as well as a business, perspective. Competition in the financial services, private equity-funded litigation finance and alternative asset management industries for qualified investment professionals is intense. GLS' continued ability to effectively manage the Clients' portfolio depends on the Adviser's ability to retain and motivate key employees. Further, the loss of any of the members, managers, directors, officers or executive level employees of the General Partner will likely have a significant adverse impact on the business of the Clients. No assurances can be given that such persons will continue to be affiliated with GLS.

Lack of Operating History. The General Partner, the Adviser, the Managing Directors and their respective members, managers, directors, officers and executive level employees have little or no prior experience managing and investing a committed pool of funds for third parties. GLS' investment program should be evaluated on the basis that there can be no assurance that the Adviser's assessment of the prospects of investments will prove accurate or that GLS will achieve its investment objective. Additionally, the Clients' prospects must also be considered in light of the heightened risks and uncertainties encountered by start-up companies. The performance of prior funds and other investments managed by or affiliated with the General Partner, the Adviser, the Managing Directors and their respective members, managers, directors, officers and executive level employees are not necessarily indicative of the Clients' future results. While GLS intends for the Clients to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurance that targeted results will be achieved. Loss of principal is possible on any given investment.

Suitability. Investors must carefully consider the diversification of their assets, and should not invest more assets than is prudent to allocate to a volatile, high-risk, illiquid investment. None of the Fund, the General Partner, the Adviser, or any of their respective managers, officers or members have any responsibility to, or undertake to, advise any investor as to the proper diversification, prudence or liquidity of the investment of any assets. Prospective investors should consult with their personal investment, legal and tax advisors about investing in the Fund or through a Managed Account.

Investment in The Fund May Not Diversify Portfolio. There is no assurance that an investment will perform in a manner that is either consistent with or independent from the stock, mutual fund, bond or other markets, and there is no way of predicting whether an investment will lose more or less than stocks, mutual funds or bonds in declining markets. An investment is not an investment in a diversified investment portfolio. Investors must not rely on an investment as a means of diversifying their investment portfolio or as any form of hedge against losses in their investment portfolio.

Ethics and Legal Restrictions. Laws and professional regulations (including ethics regulations and professional codes of conduct) in the litigation funding environment can be complex and uncertain. Various jurisdictions prohibit or restrict the assignment of certain claims and/or participating in a lawyer's contingent fee interests (including ethical rules against sharing fees with lawyers and non-lawyers). Prohibitions against maintenance, champerty, and barratry exist in several states. Such prohibitions and restrictions are governed by the common law and the rules and regulations of each state and jurisdiction in the United States and vary in degree of strength and enforcement and are subject to change. Some jurisdictions in the United States may not permit GLS to make investments in or engage in other business and financial transactions relating to certain litigation. The law and

regulations in such jurisdictions may be uncertain, and accordingly, GLS may not have the ability or the desire to make such investments in these jurisdictions, thereby limiting the size of the potential market. There is also the risk that GLS may make a investment despite the uncertainty around a certain jurisdiction, leading to the risk that such investment's operative agreement(s) may not be enforced, which in turn would prevent the realization a return of capital invested in such investment or any proceeds thereon. Such a circumstance could lead to a complete loss of all capital invested in such investment. GLS intends to assess the foregoing legal and ethical issues as appropriate on an ongoing basis. However, in many jurisdictions, the relevant issues may not have been considered by the courts or addressed by statute, so obtaining clear opinions or legal advice may be difficult. Thus, the investment could be open to challenge or subsequent reduction in value. Changes in laws, regulations or ethical rules in certain jurisdictions could further reduce or limit investment opportunities or could reduce the value of the pre-existing investments in such jurisdictions.

Failure to Comply. Failure to comply with any federal, state and local law or regulation, whether actual or alleged, could expose the Clients to fines, penalties or potential litigation liabilities, including costs, settlements and judgments, any of which could adversely affect the Clients' earnings. Any failure to comply with such applicable laws, regulations and licensing also could result in a range of sanctions and enforcement actions, including the imposition of civil money penalties, formal agreements and cease and desist orders, any of which could have a material adverse effect on an investor's returns realized.

The Outcome of Claims Is Uncertain. The outcome of claims underlying a Portfolio Investment by entails a large degree of uncertainty, including the legal liability of the defendant, the amount of damages assessed by the trier of fact, the ability of the defendant or the defendant's insurance company to pay a settlement or judgment, the abilities of the plaintiff's counsel, the assessment of fault and causation, the legal nature of the claim and the amount of monetary damages ultimately awarded. It is also possible that a claimant may abandon or otherwise compromise its claims. Such an event may prevent the Clients from realizing expected returns or cause the Clients to sustain a complete loss. The uncertainties of litigation may result in a judgment for amounts less than anticipated, a settlement for amounts lower than predicted, or failure to reach a settlement. Such unfavorable outcomes would reduce the profitability of the Clients' investments and could ultimately cause losses.

Evaluation and Disclosure of Cases and Case Performance. Details of cases that GLS has pursued or is pursuing or intends to pursue as actual or prospective Portfolio Investments, cannot and will not be disclosed on a named or detailed basis because of confidentiality and other restrictions. To this extent, the underlying investors of the Fund and the Managed Accounts will not have an opportunity to evaluate the claims themselves and will be dependent upon the judgment and ability of GLS to assess and manage the assets.

Collection Risks; Uncertainty of Timing. Part of the case selection process for prospective Portfolio Investments involves assessing the ability of the defendant to pay a judgment or award if the case is successful. If the defendant is unable to pay or seeks to challenge the validity of the judgment or award, the Clients may be unable to recover the capital invested or may need to spend additional funds in order to recover. Additionally, the nature of litigation recoveries, including the timing and amounts recovered, are outside of the control of GLS. Once the investment is made, there is no assurance as to collection times, and there is no guarantee that GLS will be able to predict the timing

of payment with enough accuracy to achieve the anticipated profitability and rate of return in any given period.

Concentration Risk. Certain Portfolio Investments may represent a significant proportion of the Clients' total assets. As a result, the impact on the Clients' performance and the potential returns to investors could be disproportionately affected if any one of those Portfolio Investments performs badly.

Competitive Marketplace. The marketplace for litigation finance investing has become increasingly competitive, and could become even more competitive as a result of economic, regulatory and technological changes. Participation by financial intermediaries has increased, and an increasing number of funds are being dedicated to making investments in the litigation finance sector. As a result, the competition for investment opportunities is at increasingly higher levels. Many of GLS potential competitors may have greater financial and personnel resources than those of GLS. There can be no assurances that GLS will locate an adequate number of attractive investment opportunities. If more competitors come into the marketplace, GLS ability to invest in attractive opportunities could be diminished. Additionally, to the extent that GLS encounters competition for a target Portfolio Investment, the plaintiff in the underlying litigation may have greater leverage to negotiate the terms of the Portfolio Investment and returns to an investor may vary.

Leverage. GLS may utilize borrowings for operating and investing purposes, thereby maximizing its investment positions. Such borrowings will be advanced under a credit facility (the "Credit Facility") established in order to finance Portfolio Investments and/or pay expenses of the Clients with borrowings in lieu of, or in advance of, calling capital contributions. The amount of borrowings that the Clients may have outstanding at any time may be substantial in relation to their capital. While leverage presents opportunities for increasing the Fund's total return, it has the effect of potentially increasing losses as well. Accordingly, any event which adversely affects the value of an investment by a Client would be magnified to the extent the Client is leveraged. The cumulative effect of the use of leverage by the Fund in a market that moves adversely to a Client's investments could result in a substantial loss to the Client that would be greater than if the Client was not leveraged. In addition, the level of interest rates generally, and the rates at which the Client can borrow in particular, will affect the operating results of the Client.

Changes in Regulation. GLS is subject to regulatory requirements currently and may be subject to additional regulatory requirements both in its current expected areas of investments and any future areas of investments. GLS will be under a duty to comply with any new rules, regulations and laws applicable to it. Compliance with these rules, regulations and laws could create additional burdens for GLS and could have a material adverse effect on the investment strategies of, and/or the value of, direct or indirect business or financial interests of its Clients.

Legal Professional Duties. Where a Client participates in a claim through a Portfolio Investment but does not wholly own or control such claim, which will usually be the case, the Client will not be the client of the law firm representing the owner of the claim. Accordingly, that law firm will be required to act pursuant to its client's wishes rather than those of the Client or may be subject to an overriding duty to the courts.

Insufficient Capital Commitments. If the General Partner is unable to raise sufficient capital

commitments to the Fund, the Fund may not be able to invest in certain Portfolio Investments, and the General Partner may not be able to fully implement its investment strategy.

Inability to Locate and Delay in Making Investments; Expedited Transactions. The success of an investment will depend on GLS' ability to identify and choose suitable investments. There is no guarantee that GLS will be successful in sourcing suitable investments in a timely fashion or at all, or in sourcing a sufficient number of suitable investments that meet the Clients' requirements and that are in jurisdictions where such investments are permitted or advisable.

It may take a significant amount of time to deploy the Clients' capital fully and a significant proportion of the proceeds may not be used or committed for an indefinite period. There is no obligation on GLS to use or commit any of the proceeds within a certain time period, or at all.

Conversely, investment analyses and decisions by GLS may frequently be required to be undertaken on an expedited basis to take advantage of investment opportunities. In such cases, the information available to the Clients at the time of making an investment decision may be limited, and the Clients may not have access to detailed information regarding the investment (see also "Case Selection" below). Therefore, no assurance can be given that GLS will have knowledge of all circumstances that may adversely affect a Portfolio Investment.

Business Model Depends on Referral Relationships. The ultimate success of an investment will hinge on GLS' ability to locate attractive investment opportunities. Therefore, the investment strategy will rely on GLS' networking abilities to identify prospective investment opportunities. If GLS fails to maintain necessary relationships and contacts with key legal professionals and others, or fails to establish strong referral relationships with other sources of investment opportunities, the Clients may not be able to achieve their investment objectives. Additionally, GLS' contacts are not obligated to provide the Clients with investment opportunities, so there is no assurance that such relationships and contacts will prove to be productive.

Case Selection. GLS' ability to provide returns to its investors and to achieve its investment objectives depends on whether the underlying cases in which the Clients will be successful, will pay the targeted returns and will pay those returns in the anticipated time. Assessing the values, strengths and weaknesses of a case is complex and the outcome is not certain. Should cases, claims, defenses or disputes in which the Clients invest prove to be unsuccessful or produce returns below those expected, the value of the Clients' investments could be materially adversely affected. GLS may be unable to access or review documents relating to a case, including documents protected by the attorney-client privilege. Such lack of access may lessen the ability of GLS to assess fully the strengths and weaknesses of a claim.

Reliance on Lawyers. None of the Clients, the General Partner and the Adviser are law firms, provide legal advice or engage in the practice of law. The Clients are particularly reliant on lawyers to litigate claims and defenses with due skill and care. If they are not able to do this, or do not do this for other reasons, it is likely to have a material adverse effect on the value of the Clients' Portfolio Investments. There is no guarantee that the outcome of a case underlying a Portfolio Investment will be in line with the lawyers' assessment of such case or the lawyers' capabilities.

Investments with Limited Liquidity. The Portfolio Investments to be made on behalf of the Clients are expected to be illiquid. Portfolio Investments may also be subject to limitations on transfer or other restrictions that would interfere with the subsequent disposition of such investments or

adversely affect the terms that could be obtained upon any disposition thereof. Even if the Clients' investments prove successful, they are unlikely to produce a realized return to the underlying investors for a period of years. Investments with GLS should therefore be considered only by persons financially able to maintain their investment for an extended period of time and who can afford a loss of all or a substantial part of their investment.

"Uninvested" Capital. The Clients may from time to time invest its assets in high-quality, short-term instruments such as U.S. Treasury securities and shares of "money market" mutual funds, because suitable investments meeting the Clients' criteria are not then available. It is not possible to determine or even estimate the degree to which the Clients' assets will be "uninvested" from time to time, but the percentage of Fund assets invested in short-term instruments may be high from time to time. Such periods of "uninvestment" are likely to have a negative impact on the Clients' rate of return. Generally, GLS will return uninvested assets to its investors pursuant to the terms of the Governing Documents and the Advisory Agreement.

Changing Economic Conditions. The success of GLS' investment strategy could be significantly impacted by changing external economic conditions in the United States and global economies. The stability and sustainability of growth in global economies may be impacted by terrorism or acts of war. Changing economic conditions could potentially adversely impact the valuation of portfolio holdings.

Valuation of Claims. The Clients' assets and liabilities are valued in accordance with the Adviser's valuation policies and procedures, as the same may be amended from time to time (the "Valuation Policy"). All values assigned to such assets and liabilities are final and conclusive. The claims underlying the Portfolio Investments are valued in accordance with the Adviser's Valuation Policy. The valuation of any claim involves inherent uncertainty. The value of a claim determined in accordance with the Valuation Policy may differ materially from the value that could have been realized for a variety of reasons, including the timing and the illiquid nature of the Portfolio Investments. Uncertainties as to the valuation of claims could have an impact on the financial reports and net asset value of the Clients if the judgments of GLS regarding the appropriate valuation should prove to be incorrect.

GLS may use methods of valuing claims other than those set forth herein if it believes the alternate method is preferable in determining the fair value of such claims. In particular, GLS may take account of significant events, if, in our judgment, they have materially altered such valuation.

In connection with the determination of the value of the Clients' assets and liabilities, GLS may consult with and will be entitled to rely upon the advice of the accountants, appraisers, brokers, custodians, administrators, independent consultants, professional advisors, or pricing services. The accounts of the Clients are maintained in U.S. Dollars. Assets and liabilities denominated in other currencies are translated at the rates of exchange in effect at the relevant date of determination and translation adjustments are reflected in the results of operations. Portfolio Investments and income and expenses will be converted at the rates of exchange in effect at the time of each transaction. Notwithstanding anything to the contrary herein, the valuation policies and procedures applicable to the Clients are subject to change and may be revised from time-to-time.

Operational Risks

General Risks. The Clients depends on GLS to develop appropriate systems and procedures to control

operational risk. These systems and procedures may not account for every actual or potential disruption of GLS' operations. Disruptions in GLS' operations may cause the Clients to suffer, among other things, financial loss, the disruption of its businesses, liability to third parties, regulatory intervention or reputational damage. Factors that could cause the Clients' actual results to differ materially from anticipated results include, but are not limited to, unforeseen cash or capital requirements, the ability of management to effectively implement the Clients' strategies and business plans and the occurrence of natural disasters or other events or circumstances that could impact GLS' operations.

Cyber Security Breaches and Identity Theft. With the increased use of technologies such as the Internet and the dependence on computer systems to perform business and operational functions, GLS and their service providers may be prone to operational and information security risks resulting from cyber-attacks and/or technological malfunctions. In general, cyber-attacks are deliberate, but unintentional events may have similar effects. Cyber-attacks include, among others, stealing or corrupting data maintained online or digitally, preventing legitimate users from accessing information or services on a website, releasing confidential information without authorization, and causing operational disruption. Successful cyber-attacks against, or security breakdowns of, the Fund, GLS, a custodian, or other affiliated or third-party service provider may adversely affect the Fund, its underling investors, or the Managed Accounts. For instance, cyber-attacks may interfere with the processing of transactions, affect GLS' ability to determine valuations, cause the release of private investor information or confidential Client information, impede the consummation of Portfolio Investments, cause reputational damage, and subject the Clients to regulatory fines, penalties or financial losses, reimbursement or other compensation costs, and additional compliance costs. Cyber-attacks may render records of Clients assets and transactions, ownership of the Fund interests, and other data integral to the functioning of the Clients inaccessible or inaccurate or incomplete. The Clients may also incur substantial costs for cyber security risk management in order to prevent cyber incidents in the future. The Clients could be negatively impacted as a result. While GLS has established business continuity plans and implemented systems designed to minimize the risk of cyber-attacks through the use of technology, processes and controls, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified given the evolving nature of this threat. GLS relies on third-party service providers for many of its day-to-day operations, and network connected services provided by such third-party service providers may be susceptible to compromise, will be subject to the risk that the protections and protocols implemented by those service providers will be ineffective to protect GLS and the Clients from cyber-attack.

Conflicts of Interest

The following discussion enumerates certain potential conflicts of interest that should be carefully evaluated before making an investment. The following is not intended as an exhaustive list of the potential conflicts.

- Instances may arise where the interest of GLS may potentially or actually conflict with the interests of the Clients and the underlying investors. For example, the existence of the Carried Interest may create an incentive for GLS to make more speculative investments on behalf of the Clients than it would otherwise make in the absence of such performance-based arrangements.
- GLS may cause the Clients to invest in cases and portfolios of cases that are being litigated

by a law firm in which Adam Gill, Jamison Lynch, David Spiegel or any other GLS Person were previously associates, partners or otherwise previously affiliated. GLS may also engage such a law firm to assist in the investment selection and underwriting process. The previous economic interest of any of Messrs. Gill, Lynch or Spiegel or another GLS Person in such a law firm may create an incentive to cause the Clients to invest in claims litigated by such law firm or to engage such law firm for services. GLS may also cause the Clients to invest in claims owned by companies that are owned or controlled by GLS Persons or other investors.

- GLS, the Managing Directors, or their respective Affiliates (the “GLS Parties”) may enter into other investment advisory relationships or engage in other business activities, even though those activities may involve substantial amounts of such individuals’ or entities’ time and resources. Subject to the limitations set forth in the Governing Documents and the Advisory Agreement, the GLS Parties may concurrently and in the future serve as general partner or investment manager of other investment funds. These activities could be viewed as creating a conflict of interest in that the time, effort and resources of GLS and its personnel are not devoted exclusively to the business of the Clients, but may be allocated between that business and the other activities.
- Conflicts of interest may arise as a result of the facts that (i) neither the Clients nor any underlying investors may have any rights with respect to any investment opportunities to make a follow-on investment in the Portfolio Investment and (ii) any such investment opportunity may be offered by GLS to any other party, including the GLS Parties, their respective Affiliates, any entity managed or operated or controlled by any of them (including any Co-Investment Vehicle or any Successor Fund), any investor or any one or more third party investors.
- Underlying investors, GLS Parties, or third parties may be given the opportunity to co-invest with the Fund on investment opportunities. Co-investment opportunities will not be determined through arm’s-length negotiations with the Fund. The Fund will not be obligated to obtain independent fairness opinions or the consent of other partners to enter into such co-investments. Certain Limited Partners may have entered into and may enter into fee arrangements or may have agreed to or agree to terms other than those described herein, which fee arrangements or terms may be more favorable than those described herein.

Future activities of the GLS Parties may give rise to additional conflicts of interest. Certain other conflicts are described elsewhere in this Brochure and are not repeated here. By investing with GLS you will be deemed to have acknowledged the existence of any such actual or potential conflicts of interest and to have waived any claim with respect to any liability arising from the existence of any such conflicts of interest.

Co-Investments. Generally, the General Partner may, in its sole discretion, provide or commit to provide co- investment opportunities to other investors who may or may not be affiliated with the General Partner or its affiliates. Conflicts of interest will arise in the allocation such co-investment opportunities. The allocation of co-investment opportunities, which may be made to one or more persons for any number of reasons as determined by the General Partner in its sole discretion, may not be in the best interests of the Fund or any individual Limited Partner. In exercising its sole discretion in connection with such co-investment opportunities, the General Partner may consider some or all of a wide range of factors, which may include the likelihood that an investor may invest in a future fund sponsored by the General Partner or its affiliates. The Fund may co-invest with third parties through partnerships, joint ventures, or other entities or arrangements. Such investments may

involve risks not present in investments where a third-party is not involved, including the possibility that a third-party co-investor may at any time have economic or business interests or goals that are inconsistent with those of the Fund, or may be in a position to take action contrary to the investment objectives of the Fund. In addition, the Fund may in certain circumstances be liable for actions of its third-party co-investors. Finally, the General Partner may (but is under no obligation to) charge potential co-investors a pro rata portion of expenses incurred in connection with transactions not consummated; to the extent potential co-investors do not pay all or any portion of such expenses, such unpaid portion will be Fund expenses.

Expenses. The Governing Documents and the Advisory Agreement contains detailed provisions regarding the apportionment of expenses between GLS, on the one hand, and the Clients, on the other hand. The apportionment of expenses inherently creates conflicts of interest between GLS on the one hand, and the Clients on the other. For example, the same individual could be admitted or engaged as a member or employee of GLS (in which case, the General Partner generally would bear the expense of such individual's salary, etc.) or as a consultant/advisor (in which case the Clients or a portfolio entity generally would bear the expense of fees paid to such individual). In general, Clients will have no right to require that any particular individual be admitted, engaged or retained as a member, manager or employee of GLS, with the result that decisions regarding such matters generally will be made by GLS. Related to the foregoing, investors should be aware that an individual designated as an entrepreneur-in-residence, executive-in-residence, operating partner, venture partner, venture advisor or in similar manner may be compensated by GLS (e.g., as member, manager or employee), by the Clients (e.g., as a consultant to GLS), or by a Portfolio Investment entity (e.g., as a consultant to, or founder/officer/director/employee of, such Portfolio Investment entity) generally as determined by GLS or the Portfolio Investment entity in its discretion. In certain cases, a Portfolio Investment entity may reimburse GLS for costs that otherwise would be borne by GLS under the Governing Documents or the Advisory Agreement. In general, the Clients would not be entitled to benefit from any such reimbursement.

Written Side Agreements. In accordance with common industry practice, the Fund and the General Partner will be authorized, without the approval of any investor, to enter into side letters or similar written agreements with investors that have the effect of establishing rights under, or altering or supplementing the terms of the Governing Documents, such investor's subscription agreement or other related agreements, including without limitation to provide for different or more favorable rights, access to information about the Fund's investments, or other matters relating to an investment in the Fund. The ability of other Partners to elect to receive the benefit of such side agreements will be limited.

Item 9. Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of the adviser or the integrity of adviser's management.

There are no legal or disciplinary events that are material to an evaluation of the Adviser's advisory services or the integrity of management. Specifically, neither GLS nor any of its Managing Directors been a party to a criminal or civil action in a domestic, foreign or military court, been a party to an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency or any foreign financial regulatory authority or been a party to a self-regulatory proceeding in the past ten years.

Item 10. Other Financial Industry Activities and Affiliations

Related General Partners

A limited liability company serves as General Partner of the Fund. For a description of material conflicts of interest created by the relationship among the Adviser and the General Partner, as well as a description of how such conflicts are addressed, please see *Item 11* below.

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

For the purposes of this Item 11, references to the “Fund” or “Fund” shall include any successor investment Fund that may be established by the Adviser, the General Partners or affiliates of the Adviser or the General Partners.

GLS has adopted a Code of Ethics (the “Code”) that sets forth standards of conduct that are expected of GLS’ principals and employees. Additionally, it addresses conflicts that may arise from personal trading and outside business activities. The Code subjects each principal and employee to appropriate restrictions on activities and investments, and provides information on certain prohibited transactions, GLS’ internal review and compliance procedures, including quarterly and annual reporting requirements, and well-defined rules of business conduct, all intended to prevent or detect potential conflicts of interest. The Code also includes policies and procedures to prevent the misuse of material non-public information in GLS’ possession. Strict compliance with the Code and applicable securities laws is a condition of employment with GLS, and each principal and employee are obligated to individually read and retain a copy of the Code, as well as certify that he or she has read and understands the Code. GLS reviews compliance with the Code on an ongoing basis, and employees may be subject to disciplinary actions as severe as dismissal for certain infractions.

GLS and its affiliates may come into possession from time to time of material nonpublic or other confidential information. Under applicable law, GLS and its affiliated persons would be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, including the Clients. Accordingly, should GLS or any of its affiliates come into possession of material nonpublic or other confidential information with respect to any public company, they would be prohibited from communicating such information to the Clients.

The Managing Directors will make capital commitments to the Fund. Such amounts may be invested pro rata with the members of the Fund in all Fund Portfolio Investments. In the view of the Managing Directors, this aligns the interests of the Managing Director with the Fund and its investors and does not result in any conflicts of interest between the Adviser and the Fund.

All employees who are access persons (as defined by the Advisers Act) are required to submit an initial, and thereafter, annual, holdings report, as well as quarterly transaction reports or equivalent brokerage statements, detailing the securities held, purchased or sold during the relevant period, except as otherwise exempted by the Advisers Act. In addition, all employees must pre-clear securities trades in an initial public offering or private placement, to ensure that potential conflicts of interest are adequately identified and addressed in a timely manner, and in securities maintained on GLS’ restricted list, which consists of securities of companies that GLS has determined its employees should not be trading, generally because GLS may be in possession of material non-public information relating to such company. The trading restrictions of the Code do not apply to (i) purchases or sales in any discretionary managed account over which an employee has no direct or indirect influence or control, or ability to direct any investment decision, (ii) purchases that are part of any automatic dividend reinvestment plan or direct investment program, and (iii) purchases of direct obligations of the United States government, bankers’ acceptances, bank certificates of deposit, commercial paper and high quality short-term debt instruments, including repurchase agreements, and shares issued by open-end investment companies registered under the Investment

Company Act of 1940 (i.e., money market funds and open-end mutual funds).

The Code also includes, among other things, requirements that all employees (i) conform their business conduct to applicable state and federal laws and regulations, and (ii) obtain pre-approval of any outside business activities that involve a time commitment that could reasonably be expected to have an adverse effect on the employee's work at GLS or conflict with the Governing Documents of the Fund or the Advisory Agreement of the Managed Accounts or provide for material compensation to the employee.

GLS has also adopted a compliance program, which includes, among other things, a records retention and communication policy, an information security program intended to protect the confidentiality of the information retained by GLS and policies designed to ensure compliance with applicable laws and regulations.

The foregoing policies are designed to comply with SEC requirements that registered investment advisers have a Code of Ethics. GLS' Code of Ethics is available for review upon request. You may request a copy of the Code by contacting our Chief Compliance Officer, Jamison "Jamie" Lynch at (312) 416-8556 or jlynch@glscap.com.

Item 12. Brokerage Practices

As GLS invests primarily in litigation finance investments, the Adviser anticipates that investments in publicly traded securities will be infrequent occurrences (e.g., money market instruments pending investment in a litigation finance matter, securities held as a result of initial public offerings, going-private transactions, etc.). However, to meet its fiduciary duties to the Clients, the Adviser would adopt written policies to address issues that might arise with respect to purchasing, holding, and selling publicly traded securities, as follows:

If the Adviser sells publicly traded securities for a Client, it is responsible for directing orders to broker-dealers to effect securities transactions for accounts managed by the Adviser. In such event, the Adviser will seek to select brokers on the basis of best price and execution capability. In selecting a broker to execute client transactions, the Adviser may consider a variety of factors, including: (i) execution capabilities with respect to the relevant type of order; (ii) commissions charged; (iii) the reputation of the Adviser being considered; and (iv) responsiveness to requests for trade data and other financial information.

The Adviser has no duty or obligation to seek in advance competitive bidding for the most favorable commission rate applicable to any particular client transaction or to select any broker on the basis of its purported or “posted” commission rate, but will endeavor to be aware of the current level of the charges of eligible brokers and to reduce the expenses incurred for effecting client transactions to the extent consistent with the interests of such clients. Although the Adviser generally seeks competitive commission rates, it may not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker involved and thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

Consistent with the Adviser seeking to obtain best execution, brokerage commissions on client transactions may be directed to brokers in recognition of research furnished by them, although the Adviser generally does not make use of such services at the current time and has not made use of such services since its inception. Such research services could include economic research, market strategy research, industry research, company research, fixed income data service, computer-based quotation equipment and research services and portfolio performance analysis. As a general matter, research provided by these brokers would be used to service all of the Adviser’s Clients. However, each and every research service may not be used for the benefit of each and every Client managed over time by the Adviser, and brokerage commissions paid by one Client may apply towards payment for research services that might not be used in the service of such Client. Research services may be shared between the Adviser and its affiliates.

The Adviser currently does not engage in soft dollar transactions but may engage in soft dollar transactions in the future in accordance with the limitations of Section 28(e) of the Securities Exchange Act of 1934, as amended.

The Adviser does not anticipate engaging in significant public securities transactions; however, to the extent that the Adviser engages in any such transactions, orders for purchase or sale of securities placed first will be executed first, and within a reasonable amount of time of order receipt. To the extent that orders for Clients are completed independently, the Adviser may also purchase or sell the same securities or instruments for several Clients simultaneously. From time to time, the Adviser may, but is not obligated to, purchase or sell securities for several client

accounts at approximately the same time. Such orders may be combined or “batched” to facilitate obtaining best execution and/or to reduce brokerage commissions or other costs. Batched transactions are executed in a manner intended to ensure that no participating Client of the Adviser is favored over any other Client. When an aggregated order is filled in its entirety, each participating Client generally will receive the average price obtained on all such purchases or sales made during such trading day. To the extent such orders are not batched, they may have the effect of increasing brokerage commissions or other costs.

In the Adviser’s litigation finance transactions on behalf of the Clients, the Adviser may retain one or more broker-dealers or investment banks, the costs of which will be borne by the relevant Client and/or its Portfolio Investments. In determining to retain such parties, the Adviser may consider a variety of factors, including: (i) capabilities with respect to the type of transaction being contemplated; (ii) commissions or fees charged; (iii) reputation of the Adviser being considered; and (iv) responsiveness to requests for information. As a result, although the Adviser generally will seek reasonable rates for such services, the market for such services involves more subjective evaluations than public securities brokerage transactions, and the Clients may not pay the lowest commission or fee for such services.

Item 13. Review of Accounts

Oversight and Monitoring

The investments made by the Clients are generally private, illiquid, and long-term in nature. Accordingly, the review process is not directed toward a short-term decision to dispose of securities. However, the Adviser closely monitors its Portfolio Investments, and the Adviser's Chief Compliance Officer periodically checks to confirm that each Client is maintained in accordance with its stated objectives. Investment decisions will be reviewed and require unanimous approval by the Adviser's Investment Committee, which consists of Adam Gill, David Spiegel, and Jamison "Jamie" Lynch.

The Adviser considers portfolio management to be an indispensable part of risk management during the life cycle of a Portfolio Investment. The Adviser's litigation finance investment agreements typically provide the Adviser with the right to advise and consult on investments and to be reasonably informed regarding the progress of the litigation at issue. The Adviser will work with claimholders and their counsel throughout the life cycle of an investment to seek to maximize the probability and value of successful outcomes.

The Adviser will also typically implement risk reduction strategies in the event that negative developments occur. In these situations, the Adviser will work with its counterparties to seek to address the increased risk. The risk mitigation strategies can take several forms, including advising on shifting litigation strategy or advising the Adviser's counterparty to change litigation counsel. Most importantly, in called-capital investment structures, the Adviser generally will retain express contractual rights to cease funding the particular investment in the event of material adverse developments.

Legal and professional obligations forbid GLS from having formal control of underlying litigations in which it invests Client assets. Accordingly, GLS generally will expressly disclaim control of each such litigation unless the Clients own and assert the underlying rights in such litigation. GLS may retain control rights in certain investments, including the outright purchase of patent portfolios or other product development opportunities. Decision-making ability, particularly with respect to resolution of a litigation, will reside with the owner of the legal claim upon which such litigation is based.

Reporting

Annually, the Fund will furnish audited financial statements to all Limited Partners and tax information necessary for the completion of U.S. income tax returns. On a quarterly basis, each Limited Partner will be furnished with unaudited financial statements of the Fund.

Item 14. Client Referrals and Other Compensation

The Adviser does not receive any economic benefit, including sales awards or prizes, from any third party for providing advisory services to the Fund. Any arrangement to compensate a person or entity for soliciting business or potential Clients for the Adviser must be first proposed to, and approved, by the CCO. With respect to the Fund, the Adviser has entered into an agreement with a third-party placement agent. This agreement provides for compensation to be paid to the placement agent for referring investors to the Fund. Under this agreement, the placement agent receives a percentage of the capital commitments attributable to each prospective Fund investor referred depending upon specific circumstances and restrictions. This agreement is disclosed to prospective limited partners in the Fund. This arrangement and any future arrangements are conducted in accordance with applicable laws and regulations, including Rule 206(4)-3 of the Advisers Act. Compensation of the placement agent is borne entirely by the Adviser or its affiliates and not by any of its Clients.

Item 15. Custody

The Adviser will likely be deemed, under Rule 206(4)-2 of the Advisers Act, to have custody of the assets of the Fund by virtue of the common control of the Adviser and the General Partner of the Fund. All funds and securities of the Fund will be held by qualified custodians. As noted in *Item 13* above, Fund investors will receive annual financial statements audited by an independent public accounting firm registered with the Public Company Accounting Oversight Board (PCAOB). Fund investors are urged to carefully review these statements.

Item 16. Investment Discretion

Discretionary Authority

We generally have discretionary power and authority over the types of financial instruments to be bought or sold, as well as the amount to be bought or sold on behalf of each Client in accordance with the applicable governing, offering and/or account documents. In addition, we generally have authority to determine the broker-dealer or other counterparty to be used for Client transactions and the negotiation of commission rates and other consideration to be paid by the Clients.

Limited Power of Attorney

Each investor in the Fund grants GLS, as general partner of the Fund, a limited power of attorney to enable GLS to execute the partnership agreement and take various other actions on its behalf (including to operate the Fund). GLS also has the authority to conduct authorized trading on behalf of all Clients.

For a further discussion of these and related items, see *Item 4* (Advisory Business).

Item 17. Voting Client Securities

The Adviser does not currently vote Client securities.

In the future event that the Adviser may vote its Clients' securities, GLS may have conflicts of interest where they have a substantial business relationship with the Portfolio Investment and the failure to vote in favor of company management could harm the relationship of GLS with management. Conflicts may also arise in the event an individual related to a Portfolio Investment and one or more of the Managing Directors have a significant personal relationship that could affect how the adviser would vote on a matter relating to the Portfolio Investment.

Should the Adviser decide to vote its Clients' securities at a future date, the Adviser will adopt and implement policies and procedures which it believes are reasonably designed to ensure that it votes proxies in the best interests of its Clients. In the event that a material conflict of interest is identified, the Chief Compliance Officer or designee will take such steps as he or she deems necessary in order to determine how to vote the proxy in the best interests of the Clients, including, but not limited to, consulting with the legal department, outside counsel, a proxy consultant, or the investment professionals responsible for the relevant Portfolio Investment. In each instance, when exercising their voting discretion, GLS will seek to avoid any direct or indirect conflict of interest between their respective Clients and their voting decision.

You may contact our office at (312) 416-8556 for any questions about a particular solicitation.

Item 18. Financial Information

The Adviser does not require prepayment of management fees more than six months in advance or have any other events requiring disclosure under this item of the Brochure.