



STEELRIVER
INFRASTRUCTURE PARTNERS

SteelRiver Infrastructure Management US LLC

Part 2A of Form ADV

The Brochure

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Updated: March 29, 2019

This brochure provides information about the qualifications and business practices of SteelRiver Infrastructure Management US LLC. If you have any questions about the contents of this brochure, please contact us at (415) 291-2200. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about SteelRiver Infrastructure Management US LLC is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2. MATERIAL CHANGES

There have been no material changes to SteelRiver's business since its last annual amendment filing on March 22, 2018.

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ITEM 4. ADVISORY BUSINESS

SteelRiver Infrastructure Management US LLC ("SRIMUS") is a Delaware limited liability company and investment adviser registered with the U.S. Securities and Exchange Commission. Registration does not imply a certain level of skill or training. The registrant and its affiliates, IFNA Management LLC, LDC Management LLC, SteelRiver Operations LP, SteelRiver Infrastructure Partners LP, SteelRiver Infrastructure Partners II LP, SteelRiver Infrastructure Partners III LP, SteelRiver Infrastructure Associates LLC, SteelRiver Infrastructure Associates III LLC and SteelRiver Services LLC (collectively, "SteelRiver" or "SR") provide (i) investment supervisory services on a discretionary basis to private investment funds and (ii) administrative and back-office support services to affiliated entities. SRIMUS may, in the future, operate other affiliates that provide similar services.

Investment Advisory Services

IFNA Management LLC ("IFNA Management") and LDC Management LLC ("LDC Management") are designated as the investment advisers to SteelRiver Infrastructure Fund North America LP ("SRIFNA") and SteelRiver LDC Investments LP ("SteelRiver LDCI") respectively. The investment adviser responsibilities of IFNA Management and LDC Management are contractually assigned to, and assumed by, SRIMUS. Christopher Kinney and Dennis Mahoney, through affiliate holding companies, are the principal owners of SRIMUS. Other employees of SteelRiver also retain minority interests in the adviser through ownership interests in other related entities. IFNA Management is owned by the principals of SRIMUS,

through affiliate holding companies, whereas LDC Management is solely owned by SteelRiver Infrastructure Partners III LP. IFNA Management and LDC Management are identified as relying advisers in Schedule R of Form ADV Part 1.

SRIMUS is an investment adviser to SRIFNA through a sub-advisory relationship with IFNA Management, pursuant to which SRIMUS provides advisory services to SRIFNA. Similarly, SRIMUS is an investment adviser to SteelRiver LDCI through a sub-advisory relationship with LDC Management, pursuant to which SRIMUS provides advisory services to SteelRiver LDCI. SRIFNA, SteelRiver LDCI and any new fund or separately managed account will be referred to as “Clients”. IFNA Management, LDC Management and SRIMUS will be collectively referred to as “Investment Advisor”. Affiliates of SRIMUS are the general partner of SRIFNA and SteelRiver LDCI and an affiliate of SRIMUS is expected to be the general partner of any new Client. SteelRiver Infrastructure Associates LLC serves as general partner of SRIFNA and SteelRiver Infrastructure Associates III LLC serves as general partner of SteelRiver LDCI. We will refer to these entities, individually or collectively, as the “General Partner”. SRIMUS’ Clients are and will be managed in accordance with the terms of their respective offering documents, including as appropriate limited partnership agreements (as amended), subscription documents and confidential private placement memoranda (collectively referred to as “Offering Documents”).

The Clients make equity, equity related and debt investments in infrastructure assets and businesses and related companies (“Portfolio Companies”), predominantly in North America. SRIMUS performs a variety of investment advisory functions for and on behalf of the Clients, principal of which include: sourcing and evaluating potential acquisitions, structuring and negotiating transactions, preparing investment proposals, advising the Portfolio Company’s management, monitoring and managing consummated investments, performing the day-to-day management, operation and administration of the Clients and recommending the timing, manner and terms on which investments are restructured, recapitalized or realized. Investors subscribe for limited partnership interest in the Clients. The General Partner has formed feeder funds and alternative investment vehicles to facilitate investment by certain offshore, tax exempt or other investors.

SRIMUS provides investment advisory services to the Clients, which focus on privately negotiated equity, equity-related and debt investments in the infrastructure sector, primarily in North America. This sector may include, among other areas, energy distribution and transmission assets, wind farms, toll roads, bridges, maritime ports, short line rail, airports and other tangible assets for which real estate may play a significant role. The Clients, generally, may invest in debt securities if such debt securities are acquired in transactions related to equity or equity-related investments to be acquired or then held by the Clients. The Clients directly or indirectly invest in companies related to the aforementioned assets. The Clients may also invest in or enter into short sales and other derivative contracts or instruments if such sales, contracts or instruments are bona fide hedging transactions. A portfolio investment may be structured as a total return swap or other derivative contract, instrument or similar arrangement designed to substantially replicate the benefits and risks of holding an investment in the relevant underlying company or other asset or entity. Prior to making infrastructure investments, amounts held by the Clients are invested in various short term instruments selected by the General Partner. The Clients generally are not limited in the types of transactions and structures they may pursue. Please refer to the applicable Offering Documents for additional details.

SRIMUS’ investment advice is provided to the Clients and not individually to the limited partners of the Clients. Investors should carefully review the Offering Documents before considering their investment as the terms set forth therein will govern the Client. The partnership agreements are typically subject to waiver, modification and amendment as provided for therein.

As of December 31, 2018, SRIMUS had two Clients with regulatory assets under management and managed \$3,804,582,035 on a discretionary basis.

ITEM 5. FEES AND COMPENSATION

As compensation for its services, the Investment Advisor, by virtue of the relationships described above, is entitled to receive an annual management fee in accordance with the Offering Documents, generally payable quarterly in advance pursuant to the investment advisory agreement (“IAA”) entered into with the Clients. Such management fee is based on capital commitments or invested capital, if the management fee is calculated for a period after the end of the Client’s “investment period”. Limited partners of the Clients have, and may in the future, negotiate a lower management fee from the annual management fee described above. Management fees are payable on a pro rata basis for any period that is less than a full quarterly period. Because the IAA with a Client generally requires payment of fees in advance, upon termination of the IAA, the Investment Advisor shall refund fees for which services have not been rendered. Any such management fees are payable upon the terms described in the applicable partnership agreement. The Investment Advisor makes various fee payments to affiliates for services rendered.

The Investment Advisor has and may in the future, received financial advisory fees which may include warrants or other securities in connection with investment banking, financial, strategic, advisory, due diligence, deal identification, assistance with negotiation or other advice or services with respect to Portfolio Companies. These financial advisory fees are calculated based on the enterprise value of the business acquired, based on a predetermined formula typically provided in a schedule of fees (the “Fee Template”). In addition to the predetermined formula, the General Partner has discretion to determine certain key variables referred to as the “complexity factor” in the Offering Documents, subject to possible consent of a Client, a Client’s investors or their representative body, as provided for in the Client’s Offering Documents. The complexity factor can materially influence calculation of financial advisory fees. Financial advisory fees do not offset the management fee.

The Investment Advisor has received, and may in the future receive, certain other fees: underwriting fees, monitoring fees, directors’ fees, fees for providing management advisory services, fees for guarantees, indemnities, covenants and undertakings and fees for break-up, topping, termination and other similar fees payable in connection with unconsummated transactions by the Client.

The management fees, financial advisory fees, and other fees described above comprise a material portion of the total compensation received by the Investment Advisor. The fee potential inherent in a particular transaction could be viewed as an incentive for the Investment Advisor to recommend that transaction to a Client.

The Clients bear certain out-of-pocket expenses incurred by the Investment Advisor in connection with services provided to the Clients. The payment of such expenses by the Clients does not represent a source of profit for the Investment Advisor, rather it is a reimbursement of expenses paid and subsequently passed through to the Clients. Such expenses include, without limitation: third party fees associated with fund administration, closed deal expenses, broken deal expenses, directors and officers liability insurance, travel and entertainment, expenses of the Limited Partner Advisory Committee (the “LPAC”, if established for that Client), annual meeting expenses (including employee travel and lodging expenses, meeting event space, and nominal meals and gift expenses), investor reporting expenses, etc. Please refer to the applicable Offering Documents for further details on such expenses. In addition, Clients or their Portfolio Companies receive services from, and pay compensation to, employees of SteelRiver, as further described below under “Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.”

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

With respect to certain Clients, the General Partner is generally entitled to receive a performance fee from each limited partner after satisfaction of a “preferred return” set forth in the applicable partnership agreement. Any such performance fee is payable upon the terms described in the partnership agreement, as amended, and has included and may in the future include the receipt by the General Partner or its affiliates of special limited partner interests in a Client in accordance with the provisions of the partnership agreement, as amended, of that Client. The General Partner believes that, based on representations made by and the course of dealings with the limited partners of the Clients, each such limited partner understands the proposed method of compensation and its risks. In some cases, where the General Partner receives distributions in respect of its allocation in excess of the performance fee, the General Partner may be required to repay such excess to such limited partner upon termination of a Client, subject to limitations set forth in the applicable partnership agreement, as amended.

The fact that SteelRiver’s affiliates are compensated based on the success of the investments held may create an incentive for SteelRiver to make investments on behalf of Clients that are riskier or more speculative than would be the case in the absence of such compensation.

All fees charged by SRIMUS will be in compliance with Rule 205-3 of the Investment Advisers Act of 1940, as amended. Economic arrangements are subject to the terms of the Client’s Offering Documents, but vary based on negotiations with individual limited partners. Additional information regarding fees and other expenses attributable to the Clients are addressed in the applicable Offering Documents.

SteelRiver may be presented with investment opportunities that fall within the investment objectives of more than one Client and conflicts may arise in allocating such opportunities. As a general matter, SteelRiver intends to allocate investment opportunities among its Clients on a basis that it determines in good faith is reasonable and appropriate, taking into account contractual obligations, Offering Document disclosure, portfolio diversification objectives, the specific nature of the investment, the risk-return profile of the investments, the source of the investment opportunity, the specific nature and geography of the investment focus of each Client, the relative amounts of capital available for investment, business relationships and other considerations deemed relevant by SteelRiver.

ITEM 7. TYPES OF CLIENTS

SRIMUS provides (i) investment advice to private investment funds and (ii) administrative and back-office support services to affiliated entities. The Clients rely on rules under the United States federal securities laws that exempt privately offered partnerships from registering as investment companies.

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

SteelRiver conducts a comprehensive due diligence review to determine a potential Portfolio Company’s valuation. SteelRiver’s analysis typically focuses on the target company’s business, business model and competitive environment, financial structure and performance, opportunities for value creation, favorable regulation or regulatory events, current and future cash flow projections, and potential for attractive exit opportunities. SteelRiver may adapt and modify its due diligence processes as it determines appropriate.

SteelRiver’s due diligence process often includes the review and inspection of books and records of the target Portfolio Company, financial projections and publicly available documents filed with the SEC or other governmental bodies by the target company, its competitors, suppliers, or other companies in similar sectors. In addition, news sources, industry publications, third party research materials and corporate rating services may be used from time to time as sources of information.

SRIMUS performs its investment advisory services in accordance with the investment strategy outlined in the applicable Offering Documents. In summary, the focus of SRIMUS' Clients is on investments in assets and businesses which are operationally mature, provide essential services, typically operate in regulated environments, benefit from strong market positions, and are characterized by stable cash flows. A Client may also invest opportunistically in infrastructure assets that SRIMUS believes demonstrate a significant potential growth profile due to factors such as project development, new construction, and overall business expansion.

Investing in a Client involves a high degree of risk and should only be undertaken by investors who are capable of evaluating the risks and prepared to bear any potential loss. There can be no assurance that a Client's investment objectives will be achieved, or that an investor will receive a return of its capital. Below is a list of certain, but not all, material risks associated with SteelRiver's investment strategy. Please refer to the applicable Offering Documents for more detail on these and other risks that potential investors should be aware of.

- No assurance of investment return or return of principal;
- Concentration risk and risk of limited number of investments;
- Illiquid and long term investments;
- Borrowings and leverage risk (including, among other things, that (i) a Client may borrow funds to make investments on a leveraged basis and may withhold from distributions to repay such borrowings and (ii) the use of a subscription-based credit facility to make investments will result in a higher reported IRR than if capital contributions were called);
- Reliance on SteelRiver, the General Partner, the Investment Advisor and Portfolio Company management;
- Asset management risk and force majeure;
- Economic and financial market fluctuations;
- Legal, tax and regulatory risk;
- Environmental risk;
- Cybersecurity breaches, identity theft and privacy breach risks (at the SteelRiver, Client or Portfolio Company level);
- Valuation risk;
- Uncertainty of estimates and projections;
- Development and construction risk;
- Fraud and misconduct of personnel or service providers;
- Governmental/regulatory approvals;
- Risks involving confidential/material, non-public information;
- Risks relating to conduct at portfolio companies;
- Counterparty risks/derivatives; and
- Currency, exchange and interest rate risks.

ITEM 9. DISCIPLINARY INFORMATION

Neither SteelRiver nor its employees has been involved in any legal or disciplinary events in the past 10 years that would be material to an investor's evaluation of SteelRiver or its personnel.

ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Refer to the "Advisory Business" section of this document for a description of all relevant affiliations.

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

To avoid any potential conflicts of interest involving personal trades, SteelRiver has adopted a Code of Ethics that includes formal policies and procedures with respect to employee trading as well as policies and procedures to address insider trading. Among other things, the policy requires that employees act with integrity, place the interests of clients above their own, avoid actual and potential conflicts of interest and comply with applicable provisions of the federal securities laws. The policy also requires employees to pre-clear certain personal securities transactions, report personal securities transactions on at least a quarterly basis and provide SteelRiver with a detailed summary of reportable securities holdings annually. The Offering Documents provide that SteelRiver, its affiliates or their employees may invest in the same underlying investments as the Client. SteelRiver's Code of Ethics requires that employees have to pre-clear any such proposed co-investments. Policies on Employee Directorships and Whistle Blowing are incorporated into SteelRiver's Code of Ethics.

A copy of SteelRiver's Code of Ethics shall be provided to any investor or prospective investor upon request. Please contact SteelRiver's Chief Compliance Officer at (212) 382-7475 to obtain a copy.

Actual, potential or apparent conflicts of interest may arise as a result of the relationships between SteelRiver, the General Partner or their affiliates and their interaction with the Clients and their investors. Please refer to the applicable Offering Documents for more detail on these and other potential conflicts of interest that investors should be aware of.

SteelRiver obtains certain benefits in the form of reduced expenses or negotiated group discounts for shared services in connection with its relationships with certain Portfolio Companies. As an example, benefits may include reduced or subsidized rates for insurance, software, rent, and legal expenses. To manage and mitigate any potential conflict of interest, SteelRiver has implemented policies and procedures that include initial and ongoing reviews of its third-party service providers.

There is also a potential conflict that SteelRiver receives a potential benefit in the form of a reduction in overhead and salary and employment benefits it pays to two of its employees, Michael Cyrus and Cliff Losh, for their services to Trans Bay Cable LLC ("TBC"), a Portfolio Company of SRIFNA. In addition to being employees of SteelRiver, Mr. Cyrus also acts as a Special Advisor and Mr. Losh acts as General Counsel of TBC. Mr. Cyrus and Mr. Losh are paid by TBC for those services in the form of salary, bonus and employment benefits. The positions and services performed in such capacity are separate and apart from SteelRiver's investment management services to SRIFNA. More specifically, based on an estimate of their business time allocated between SteelRiver and TBC, Mr. Cyrus' and Mr. Losh's estimated annual compensation from TBC represents approximately 80 percent, and employment benefits (e.g., health insurance) 100 percent, of their total annual estimated compensation and benefits, respectively, from TBC and SteelRiver for 2019. The compensation and employment benefits received by Mr. Cyrus and Mr. Losh from TBC does not reduce the management fee otherwise payable by SRIFNA to the Investment Adviser. Therefore such amounts will indirectly be borne by SRIFNA and not by SteelRiver. SteelRiver manages this potential conflict by continuing to monitor the net impact to TBC, which includes periodic comparison of compensation against market rates, ongoing review of allocation of time spent on TBC matters, performance reviews, TBC board approval of compensation, and regulatory review of TBC compensation given TBC operates as a public utility in California.

Jay Elwell served as Vice President and Treasurer of TBC, also while being employed by SteelRiver. Mr. Elwell resigned from TBC in August 2018. In addition, Mr. Cyrus served as Chief Executive Officer of TBC until the end of December 2018, when he resigned as Chief Executive Officer and was appointed Special Advisor at TBC. The fact that Mr. Cyrus sits on the investment committee of the general partner of SRIFNA

and serves as Special Advisor of TBC may create a potential conflict in respect of matters relating to TBC under consideration by the investment committee of the General Partner. Should such conflict arise, SteelRiver will carefully consider the circumstances and act in a manner consistent with its duties to its Client.

In conjunction with Mr. Cyrus' resignation as Chief Executive Office of TBC, Sean O'Reilly was appointed Chief Executive Officer of TBC on January 1, 2019. Mr. O'Reilly had previously provided limited advisory services to SteelRiver for which he was compensated by SteelRiver. Mr. O'Reilly ceased providing such services to SteelRiver at the end of 2018.

Upon dissolution of a Client, the Investment Advisor or its affiliates may continue to manage the Portfolio Companies and assets of the Client may be sold to the General Partner or its affiliates at such valuation and on such terms as described in the applicable partnership agreement. In the event of an initial public offering of any of the assets of a Client, the Investment Advisor or its affiliates (including SteelRiver) will retain the right to act as investment advisor of the listed vehicle and the General Partner or its affiliates will retain the right to act as manager and, in either case, to earn fees and incentive compensation in connection therewith.

The LPAC or a similar representative body, as provided for in the Client's Offering Documents, shall consist of representatives of certain investors unaffiliated with SteelRiver, selected by the General Partner upon formation of the Client. One of the roles of the LPAC is to review and approve or disapprove any potential conflicts of interest in any transaction and to otherwise resolve certain issues involving conflicts of interest, in each case in accordance with the terms of the Client's Offering Documents.

Where appropriate, the Investment Advisor intends, but is not obligated, to provide co-investment opportunities to limited partners and third parties. These co-investment opportunities will be offered as interests in a limited partnership or other similar entity formed for each investment (a "Co-Investment Entity"). Co-investment opportunities have been, and typically will be, offered to some but not other limited partners. All decisions regarding whether and to whom to offer co-investment opportunities are made in the discretion of SteelRiver and/or its affiliates.

In exercising their discretion to allocate investment opportunities among potential co-investors, SteelRiver or its affiliates may consider some or all of a wide range of factors, which may include, but are not limited to, their belief and understanding of the following relative to the potential co-investment party:

- Presumed ability of the potential co-investor to participate in a timely and confidential manner and its potential to provide additional capital at other levels of capital structure;
- Knowledge, relationships, and/or reputation of the potential co-investor, which could be beneficial to evaluate or complete the transaction; and
- Allocation of the opportunity will help establish or develop a relationship that may be beneficial to the Investment Advisor, its affiliates or to current or future Clients

SteelRiver or its affiliates will allocate the available investments among the Clients, the Co-Investment Entity and any third parties as it may in its discretion determine. The Chief Compliance Officer is responsible for overseeing SteelRiver's co-investment opportunities.

Certain advisors and other service providers, or their affiliates (including accountants, administrators, lenders, bankers, brokers, attorneys, consultants, investment or commercial banking firms and certain other advisors and agents) to the Clients, or their Portfolio Companies also provide goods or services to or have business, personal, political, financial or other relationships with SteelRiver. Such advisors and service providers may be investors in the Clients, sources of investment opportunities or co-investors or

counterparties therewith. These relationships may influence SteelRiver in deciding whether to select or recommend such a service provider to perform services for the Clients or a Portfolio Company (the cost of which will generally be borne directly or indirectly by the Clients or such Portfolio Company, as applicable). Notwithstanding the foregoing, investment transactions for the Clients that require the use of a service provider will generally be allocated to service providers on the basis of SteelRiver's judgment as to best execution, the evaluation of which includes, among other considerations, such service provider's provision of certain investment-related services and research that SteelRiver believes to be of benefit to the Clients. In certain circumstances, advisors and service providers, or their affiliates, may charge different rates or have different arrangements for services provided to SteelRiver, the Investment Advisor or their affiliates as compared to services provided to the Clients and Portfolio Companies, which may result in more favorable rates or arrangements than those payable by the Clients or such Portfolio Companies.

To the extent members of the LPAC or other limited partners of a Client vote on any matter regarding conflicts or otherwise participate in matters involving a vote or action of such committee or as limited partners, any such limited partners may have an interest in other Clients, SteelRiver or Portfolio Companies and/or provide services (including acting as agents or lenders) to the Clients, Portfolio Companies and investments or SteelRiver. As a result, such limited partners may not be motivated to vote solely in accordance with its interests related to a Client. Moreover, such limited partners are unrestricted from voting, and may affirmatively vote, in a manner that is adverse to the interests of other limited partners and the Clients.

In addition, SteelRiver has entered into separate agreements, commonly referred to as "side letters", with certain limited partners of a Client, to waive certain terms, or allow such limited partners to invest on different terms than those specifically described in a Client's Offering Documents. Any rights established, or any terms of the Client's Offering Documents related thereto altered or supplemented in a side letter with a limited partner will govern solely with respect to such limited partner notwithstanding any other provision of the Client's Offering Documents related thereto.

The fair value of all investments will be determined by SteelRiver in accordance with the Client's Offering Documents. Accordingly, the carrying value of an investment may not reflect the price at which the investment could be sold in the market, and the difference between carrying value and the ultimate sales price could be material. In addition, if distributions are made of property other than cash, the amount of any such distribution will be accounted for at the fair market value of such property. SteelRiver's clawback obligation pursuant to a Client's Offering Documents may create an incentive for SteelRiver to defer disposition of one or more investments where a clawback obligation would be owed.

SteelRiver personnel responsible for the affairs of a Client have commitments to, and will work on other projects unrelated to, such Client. SteelRiver personnel may (i) serve on boards of directors of public and private companies and retain fees for such services for such person's own account, provided that such activities does not interfere with such personnel's SteelRiver activities or involve a meaningful amount of time or SteelRiver's resources, (ii) engage in such civic, trade association (or similar organization), industry and charitable activities as such person shall choose, (iii) conduct and manage such person's personal and family investment and related activities and (iv) engage in any other activities not prohibited by the Clients' Offering Documents. Conflicts may arise as a result of such activities and in allocating management time services and functions.

In accordance with the governing agreements of the applicable Client, the General Partner may fund the making of investments with proceeds from drawdowns under one or more revolving credit facilities (the collateral for which can be, for example, the undrawn capital commitments of limited partners) prior to calling commitments. The interest expense and other costs of any such borrowings will be expenses of the applicable Client and, accordingly, decrease net returns of such Client. It is expected that interest will accrue

on any such outstanding borrowings at a rate lower than the preferred return, which will begin accruing when capital contributions to fund such investments, or repay borrowings used to fund such investments, are actually made. In light of the foregoing, the General Partner has an incentive to cause a Client to borrow in this manner in lieu of drawing down commitments. As a general matter, use of leverage in lieu of drawing down commitments amplifies returns (either negative or positive) to investors in the Client.

ITEM 12. BROKERAGE PRACTICES

The General Partner of the Clients has overall responsibility for their management and administration, including ultimate decision-making authority regarding investment acquisitions, restructurings, recapitalizations and dispositions as well as all asset management activities. These activities are typically carried out by a board of directors or management committee. Certain limitations and restrictions are noted in the applicable partnership agreement.

Although SteelRiver's investment strategy has not involved public securities, SteelRiver has developed and implemented policies and procedures to address the limited possibility of using brokerage counterparties. SteelRiver does not have any formal soft dollar arrangements or other arrangements that would commit the Clients to any specific or implied level of trading. As an institutional money manager, SteelRiver may receive access to research made available through brokerage counterparties or investment banks. SteelRiver believes this research is available to all institutional money managers of similar size.

SteelRiver strives to select broker-dealers, investment banks or financial intermediaries that provide the Clients with favorable execution capabilities and qualities. Certain entities are utilized or recommended to the Clients due to their presence in certain markets and ability to trade certain securities or complete certain specialized types of transactions. Research or additional ancillary services not associated with the transaction provided by such service providers is not a determining factor for engaging the service provider.

ITEM 13. REVIEW OF ACCOUNTS

The investments made by the Clients are generally long-term in nature. SteelRiver intends to monitor the entities in which the Clients invest and generally maintains an ongoing evaluation of such companies and other entities, generally including representation by SteelRiver or the General Partner on the board of directors. The holdings of the Clients are reviewed by SteelRiver's investment and support personnel. Matters reviewed include the specific investments held by the Clients, the percentage of assets in various types of asset classes, the financial and regulatory reporting relating to securities positions and the relative and absolute performance of the Clients.

SteelRiver furnishes audited financial statements for each Client to investors on an annual basis. Each Client's financial statements, including their holdings are examined by the independent certified public accountant. In addition, as part of a Client's annual limited partners meeting, SteelRiver provides investors with an annual report describing the Client's investments and progress.

ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

Any commissions, fees, costs and expenses payable to any third-party placement agents or finders engaged in respect of the sale of interests in a Client, may, at the General Partner's election, be paid by the Client, with a corresponding reduction in future management fees payable by the Client.

ITEM 15. CUSTODY

Client funds and securities are held in custody by unaffiliated banks or custodians. SRIMUS indirectly has access to each Client's accounts because a related entity serves as the General Partner of the Clients. Limited partners of the Clients will not receive statements from the custodian. Instead, the Clients are subject to an annual audit and Clients distribute copies of the audited financial statements to each limited partner. The audited financial statements are and will be prepared in accordance with generally accepted accounting principles and distributed within 120 days of the Client's fiscal year end.

ITEM 16. INVESTMENT DISCRETION

SRIMUS provides (among other things) investment supervisory services on a discretionary basis to private investment funds. The applicable Offering Documents and IAAs authorize SteelRiver to use a broad range of investment vehicles and strategies with very few, if any, limitations.

ITEM 17. VOTING CLIENT SECURITIES

Although investments held by the Clients typically do not issue traditional proxies, the Clients' partnership agreements permit the manager to purchase equity positions which may occasionally solicit shareholder votes. The Investment Advisor acknowledges that there may be instances where it would be responsible for responding to other consents to action or resolutions which might be solicited by issuers of investments held by Clients. In the event a Client holds such equity positions or other positions that solicit proxies or consents to action (herein, "proxy" or "proxies"), it is SteelRiver's policy to review the proxies to determine whether a vote is material to shareholder value and in the best interest of the Client. When a vote is deemed material to shareholder value it is SteelRiver's policy to vote in a manner which it believes will increase shareholder value the most or decrease shareholder value the least. SteelRiver may abstain from voting if it deems that abstinence is in its Client's best interests or when SteelRiver has determined that the vote is immaterial to the value of the securities held by the Client.

SteelRiver seeks to avoid conflicts of interest between its interests and the interests of its Clients. If SteelRiver determines that it has, or could be perceived to have, a conflict of interest when it is voting a proxy, then it will vote the proxy in the manner that it determines is in the best interest of the relevant Client. If SteelRiver believes that it should vote in a way that may also benefit, or could be perceived to benefit, its interest, SteelRiver will take action in accordance with the governing agreements of the applicable Client or as SteelRiver otherwise determines is in the best interest of the Client in voting the proxy, including seeking approval of the LPAC where appropriate.

SteelRiver's Chief Compliance Officer is responsible for reviewing and identifying any conflicts of interest relating to a proxy vote prior to submission of the vote. The Chief Compliance Officer is responsible for monitoring compliance with SteelRiver's Proxy Voting policy and must maintain written or electronic copies of each proxy statement received and each executed proxy, as well as all applicable records relating to each proxy.

Clients or investors may request a copy of SteelRiver's full proxy voting policies and procedures and record. Please contact SteelRiver's Chief Compliance Officer, at (415) 291-2200.

ITEM 18. FINANCIAL INFORMATION

Neither the Investment Advisor nor its affiliates has ever filed for bankruptcy, nor is aware of any financial condition that is expected to affect their ability to manage the Clients' accounts.



STEELRIVER

INFRASTRUCTURE PARTNERS