

SL Capital Partners

SL Capital Partners LLP (“SL Capital”)

**1 George Street
Edinburgh EH2 2LL
United Kingdom
www.slcapital.com
SEC Number: 801-68436**

**Form ADV Part 2A: Firm Brochure
March 29, 2019**

Item #1: Cover Page

This brochure provides information about the qualifications and business practices of SL Capital Partners LLP. If you have questions about the contents of this brochure, please contact us at +44 131 245 0055. The information contained in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or any state securities authority.

SL Capital is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provides you with information which may help you determine whether to hire or retain an adviser.

Additional information about ASI Inc. is available on the SEC’s website at www.adviserinfo.sec.gov.

Item #2: Statement of Material Changes

Since the most recent filing of the ADV Part 2A on March 30, 2018, SL Capital has made the following changes to this Brochure:

- Item 4 – “Advisory Business” was updated to reflect the AUM as of December 31, 2018.
- Risks listed in Item 8 – “Methods of Analysis, Investment Strategies and Risk of Loss” were updated to reflect current risks applicable to the strategies managed by SL Capital.
- Item 10 – “Other Financial Industry Activities and Affiliations” was updated to disclose significant distribution arrangements to the SLA Group in addition to the previously reported strategic relationships that included group shareholdings.
- ASI’s Access Persons Code of Conduct was updated on January 1, 2019. Item 11 – “Code of Ethics, Participation or Interest in Client Transactions and Personal Trading” was updated to reflect changes to ASI’s current process.
- ASI’s Global Proxy Voting Policy was updated on January 1, 2019. Item 17 – “Voting Client Securities” was updated to reflect ASI’s current process.

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Item #4: Advisory Business

4A. Advisory Business

SL Capital Partners LLP (“SL Capital”, “the Manager” or “the Applicant”) is indirectly majority owned by Standard Life Investments Limited (“SLIL”), SLIL is ultimately 100% owned by Standard Life Aberdeen plc, a publicly traded insurance and financial service firm based in Edinburgh, Scotland, formed from the merger of Standard Life plc and Aberdeen Asset Management PLC. The new entity is publicly held and traded on the London Stock Exchange (LSE: SLA).

Further to the merger, Aberdeen Asset Management PLC (“Aberdeen PLC”) is a wholly owned subsidiary of SLA plc. Aberdeen Standard Investments Inc. (“ASI”), Aberdeen Asset Management Asia Ltd., Aberdeen Asset Management Ltd., and Aberdeen Asset Managers Ltd. (collectively, “Aberdeen”) are all wholly owned subsidiaries of Aberdeen PLC, and Aberdeen Capital Management LLC, is a wholly owned subsidiary of ASI, and are registered as investment advisers with the Securities and Exchange Commission (the “SEC”). In rendering investment advisory services, SL Capital may share resources, including personnel and facilities, and research information. SL Capital may also use the resources of other SLA plc subsidiaries. SL Capital and subsidiaries of SLA PLC may enter into a Memorandum of Understanding (“MOU”) so that we may share personnel, research and other resources, pursuant to the terms of the agreement.

Standard Life has invested in private equity funds and co-investments since 1973. A subsidiary, Standard Life Investments (Private Equity) Limited (“SLIPE”), was created in 1998 to manage the first private equity fund of funds product offered to third party investors. This business transferred to SL Capital in October 2007.

SL Capital has been registered with the SEC as an Investment Adviser since October 2007. Its predecessor, SLIPE, was originally registered with the SEC as an Investment Adviser in January 1999. SL Capital is also authorised and regulated by the Financial Conduct Authority (“FCA”) in the United Kingdom.

SL Capital provides both discretionary and non-discretionary investment management services for its clients. SL Capital acts as an “Investment Manager” (as defined in Section 3(38) of the U.S. Employee Retirement Income Security Act of 1974, as amended (“ERISA”)) with respect to certain clients. SL Capital’s affiliate, Aberdeen Capital Management LLC, offers multi-manager research, selection and portfolio management for private equity and debt, venture capital, real asset investments, direct investments in infrastructure projects, and an Asset Manager Minority Investments strategy (“AMMI”), a direct private equity strategy with a focus on acquiring minority equity interests in alternative asset managers.

On 1 October 2016, SLIPE was renamed ‘Standard Life Investments (Private Capital) Ltd’ (‘SLI (PC)Ltd’). All new private equity and infrastructure fund offerings will be raised and managed by SLI(PC)Ltd. The aim of these new arrangements is to facilitate the development of a successful, broader private markets business, which will require closer coordination and cooperation across the wider ASI Group. As a result of this change, the executive partners of SL Capital Partners LLP became employees of Standard Life Investments (Private Capital) Limited. Under the new arrangements, the existing business of SL Capital (essentially comprising the management of its existing funds and other advisory mandates) will continue to be managed by SL Capital.

4B. Advisory Services

SL Capital provides investment management services to:

- Limited partnership vehicles (“LP’s” or “the Fund” or “Funds”) – pooled vehicles/Funds and segregated mandates.
- An investment company which is traded publicly on the London Stock Exchange - Standard Life Private Equity Trust plc (“SLPET” or “the Funds”).
- Certain non-US clients on a non-discretionary /advisory basis.

The limited partners of the Funds include U.S. and non-U.S. investors. The U.S. limited partners are “Qualified Purchasers” as that term is defined under the U.S. Investment Company Act of 1940 or “Accredited Investors” as defined under the U.S. Investment Advisers Act of 1940.

In providing investment management services to the Funds SL Capital makes investment decisions on behalf of those vehicles. The investment strategy is stated in the legal documentation of each LP. The investment opportunities that SL Capital considers include the following:

- Private equity fund investments (primary and secondary) primarily in Europe and North America
- Selective co-investments alongside SL Capital chosen managers in private companies primarily in Europe and North America
- Infrastructure investments, primarily in co-investments and secondary fund investments
- Strategic Credit investments,(primary and secondary) primarily in Europe and North America

4C. Client Goals / Restrictions

SL Capital’s primary investment objective is to achieve a superior rate of return for its investors, either through capital appreciation, by making fund investments and, where applicable, co-investments, or for certain assets (e.g. Infrastructure) to generate a regular yield.

The investment strategy for each Fund is determined at the time of establishment. There is no opportunity for individual investors to impose client specific restrictions within the pooled vehicles.

4D. Wrap-Fee Programs

SL Capital does not participate in wrap-fee programs.

4E. Client Assets under Management

As of December 31, 2018, SL Capital managed \$5,579,670,661 on a discretionary basis and \$1,440,441,200 on an advisory basis.

Item #5: Fees and Compensation

5A. Compensation

The basis of the management fees are described fully in the limited partnership agreements of each vehicle, copies of which are agreed with each limited partner prior to their admission as a limited partner. These amounts are paid by each fund quarterly in advance to the manager. These are calculated on a variety of bases depending upon the product, including (i) drawn/undrawn amounts (ii) amounts invested (iii) total commitment amount (iv) Net Asset Value. Fees for non-discretionary advisory mandates are agreed with the client and included in the advisory agreement.

Standard Life Private Equity Trust plc (“SLPET”)

Under the terms of the investment management agreement between SLPET and SL Capital, SL Capital is entitled to receive an investment management fee of 0.95% per annum of shareholders' funds. The fee is payable quarterly and is calculated on the basis of shareholders' funds at the end of each quarter.

5B. Methods of Payment

SL Capital receives management fees on a quarterly basis as outlined within 5A.

5C. Other Fees

Investors in the Funds will pay management fees (as described in 5A) as well as other administration expenses incurred by the Fund in accordance with the relevant legal documentation. These may include depository, custody, legal, accounting, and other relevant expenses.

SL Capital may receive transaction fees, abort fees or other investment related fees from actual or prospective portfolio companies. Any amount received will be for the account of SL Capital, but will be credited against and reduce the management fees in accordance with the relevant Fund agreement.

When the Funds make commitments to underlying fund investments, management fees will be charged by underlying fund investments. These fees potentially impact the returns of SL Capital's LP and ultimately returns to investors. This is inherent in a fund-of-funds structure in any asset class.

Costs which are controlled by SL Capital and paid by clients are considered in light of SL Capital's fiduciary duty to its clients.

5D. Advance Payment of Fees

As discussed in 5A, payment of the management fees is generally made quarterly in advance. Due to the limitations on liquidity within LPs (as set out in each limited partnership agreement) there are no early redemption provisions for investors.

5E. Compensation for Sale of Securities

Compensation arrangements are set out in 5A.

The compensation of Supervised Persons of SL Capital is not based directly on the value of security transactions.

Item #6: Performance Based Fees and Side-by-Side Management

SL Capital is committed to ensuring alignment of interests with its investors. This can be demonstrated by the following arrangements, which show that SL Capital is committed to the success of each LP:

- SL Capital, an affiliate, and certain of its executives, will generally commit at least 1% of the target fund size of certain Funds. No management fee is payable on the commitments from the executives, although they will meet certain other costs. In all other respects the executives invest on the same terms and at the same time as the investors.
- Senior investment, marketing and finance professionals within SL Capital participate in the carried interest arrangements in each of the LPs. The carried interest arrangements are detailed within the legal documentation for each vehicle.

In order to ensure the fair treatment of clients, SL Capital has a detailed policy for the allocation of investment opportunities (Allocation Principles) between Funds which may have a similar strategy. All investment allocations are approved internally by the Investment Committee(s). In addition, allocations of all investments (whether fund investments or co-investments) are reviewed by the independent Advisory Committee of each limited partnership vehicle and the Board of Directors of SLPET, as appropriate. Each Advisory Committee comprises a representative group of investors in that vehicle.

Please refer to Item 11 for information regarding how potential conflicts of interest are managed by SL Capital.

Item #7: Types of Clients

SL Capital manages assets on behalf of:

- Limited partnership vehicles (“LPs”)
- An investment company which is traded publicly on the London Stock Exchange - Standard Life Private Equity Trust plc (“SLPET”).
- Certain non-US clients on a non-discretionary basis.

SL Capital has a global investor base, with the majority of investors in the Funds being pension funds. Other types of investors include insurance companies, banks, endowments and other qualified investors. Minimum investments for each LP are described in Part 1 of Form ADV.

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

8A. Methods of Analysis

SL Capital follows a systematic, disciplined investment process in which it will originate, analyse, execute, monitor and exit portfolio investments.

SL Capital's due diligence process includes:

- Validation of the merits of the proposed investment, including market research on similar or competing investment opportunities and the overall environment and strategy.
- Quantitative evaluation of the fund manager's track record.
- Extensive reference checks on fund managers.
- Evaluation of the fund manager's team and processes.
- Assessment of the investment's projected returns, risk factors and proposed exit strategies.
- Review and negotiation of key investment terms and investment provisions in order to provide maximum investor protection and value.
- Review of the fund manager's approach to responsible investing and ESG issues
- Evaluation of any potential conflicts of interest.
- Legal and tax due diligence performed by external advisers.
- Instruct independent Operational Due Diligence Review
- Review of the fund manager's processes for monitoring the performance of portfolio companies.

8B. Risks of Strategies

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

The risks associated with the investment opportunities that SL Capital considers are distinct from those of other investment asset classes. The risk profile of the Funds that SL Capital manages will vary, depending on the specific investment strategy. **Full descriptions of these risks are available within the specific fund documentation.**

Primary drivers of risk are included below:

- The value of assets may go down as well as up.
- Past performance is not indicative of future performance of any strategy.
- Investments in LPs are not freely transferable.
- The success of any strategy depends on the ability of SL Capital to identify, select, execute, and realise appropriate investment opportunities. There is no guarantee that suitable investments can be or will be acquired or that the investments will be successful.
- Changes in the legal, tax, or regulatory regime during the life of the investment may result in adverse effects on earnings. This risk is intensified given the limited ability of investors to redeem investments.
- There may be a significant amount of time before the fund has invested all of its commitments.
- The strategy may employ a limited number of investments such that overall performance could be reduced by the inferior performance of a single investment.

- Constraints on the availability of credit and tightening of credit terms available to borrowers and/or decreased liquidity in the senior debt, second lien and subordinated debt markets may have an adverse impact on the ability of SL Capital to acquire or sell portfolio companies.
- Private equity investments are inherently long term; although performance over the life of the fund may be satisfactory, performance in the near term may be poor.
- Highly leveraged transactions, by their nature, are subject to a high degree of financial risk.
- Some investments may be in varying currencies and therefore their value may vary with the relevant exchange rate;
- Changes in legal, tax, accounting and regulatory regimes or their interpretation may occur during the life of the Funds which may have an adverse effect on it or its investments; such changes may make it necessary or desirable to make alterations to the Funds, its structure, service providers, activities and disclosures, any of which may involve additional expense and affect the performance and returns of the Funds;

SL Capital will always endeavour to act in a manner consistent with its fiduciary duty. However, investing in unquoted investments involves risk of loss that the client needs to be prepared to bear.

Below is a summary of material risks associated with SL Capital's significant strategies and methods of analysis. Not all possible risks are described below.

Allocation Risk – The allocation among different investment opportunities may have a significant effect on a portfolio's value when one of these investments is performing more poorly than others. There will be transaction costs which may be significant over time because both the direct investments and derivative positions will be adjusted periodically to reflect our view of market and economic conditions. In addition, there is a risk that certain allocation decisions may not achieve the desired results and, consequently, a portfolio may incur losses.

Borrowing Risk – Borrowing creates leverage. The use of leverage may subject investments to additional risk and could magnify losses. It also adds to any given portfolio expenses, and at times could effectively force a portfolio to sell securities when it otherwise might not want to do so.

Business Continuity Risk – We have adopted a business continuity plan to maintain critical functions in the event of a partial or total building outage affecting our offices or a technical problem affecting applications, data centers or networks. The plan is designed to limit the impact on clients from any business interruption or disaster, including those related to third party service providers. Nevertheless, our ability to conduct business may be curtailed by a disruption in the infrastructure that supports our operations and the regions in which our offices are located. While ASI and its service providers have established business continuity plans in the event of, and risk management systems to prevent, such incidents, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified.

Fund of Funds- SL Capitals or affiliates may acquire minority ownership interests in asset managers whose funds are held in our funds-of-funds ("FoF") or certain clients with similar mandates may invest. Conflicts of interests may arise if a FoF or client mandate is invested in a fund managed by an underlying fund manager in which SL Capital or an affiliate owns a minority interest. With this relationship, there is the potential for fees to be directly or indirectly collected by affiliated funds and advisors. ASI has implemented information barriers and controls to mitigate the conflict of interest should a FoF or client ever be invested in a fund managed by an asset manager where an affiliate also has a minority ownership interest.

Co-Investment Opportunities – With respect to Funds, from time to time, ASI may, in its sole discretion offer co-investment opportunities to select clients. ASI is not expected to offer co-investment with respect to all of a Fund’s investments, and may allocate any such opportunities in its sole discretion, including for example, on the basis of contractual rights to co-investments provided to some but not all clients, and the size of investor commitments to the funds, vehicles, and separately managed accounts. The allocation of co-investment opportunities may involve a benefit to ASI including, without limitation, fees or carried interest from the co-investment opportunity and capital commitments to other Funds. ASI may form committed co-investment vehicles both during and following a Fund’s fundraising period to participate alongside a Fund in investment opportunities that ASI has determined in good faith exceed prudent diversification levels for such fund. The capital committed to such co-investment vehicles would not be included in the overall size limitation on a Fund’s investment program. Further, it is possible that funds managed by ASI may compete with each other for the same limited co-investment opportunities. This extends to funds managed by asset managers in whom we hold a minority interest via our AMMI strategy.

Competitive Investment Environment – The activity of identifying, completing and realizing venture capital, private equity and real assets investments is highly competitive and involves a high degree of uncertainty. We may, at times, be in competition with other funds and managers with similar investment objectives for the acquisition of the same targets. It is further possible that ASI, via its AMMI strategy, may hold a minority interest in a manager who competes with ASI funds of funds managers. This may have adverse effects on investment objectives and returns and, at times, may result in not being able to enter, even partially, into a targeted investment position.

Conflicts of Interest – Due to the structure of ASI, it is possible that we may hold or trade the same securities and instruments as our underlying fund managers in which we or an affiliate invest. Additionally, we may utilize similar techniques and strategies as those adopted by our underlying fund managers. As a result, we may directly or indirectly compete with our underlying managers and investment vehicles on an “arm’s length” basis. In the event that knowledge of a conflict of interest does arise, we will endeavor to ensure that it is resolved fairly and at arm’s length.

Item #9: Disciplinary Information

9A. Civil or Criminal Actions

SL Capital has no actions to disclose.

9B. Administrative Proceedings

SL Capital has no administrative proceedings to disclose.

9C. SRO proceedings

SL Capital has no SRO proceedings to disclose.

Item #10: Other Financial Industry Activities and Affiliations

Further to the merger completed in August 2017, Aberdeen Asset Management PLC (“Aberdeen PLC”) became a wholly-owned subsidiary of SLA plc. Aberdeen Standard Investments Inc. (“ASI”), Aberdeen Asset Management Asia Ltd., Aberdeen Asset Management Ltd., and Aberdeen Asset Managers Ltd. (collectively, “Aberdeen”) are all wholly-owned subsidiaries of Aberdeen PLC, and Aberdeen Capital Management LLC is a wholly owned subsidiary of ASI, and are registered as investment advisers with the Securities and Exchange Commission (the “SEC”). In rendering investment advisory services, SL Capital may share resources, including personnel and facilities, and research information. SL Capital may also use the resources of other SLA plc subsidiaries. SL Capital and subsidiaries of SLA PLC may enter into a MOU so we may share personnel, research and other resources, pursuant to the terms of the agreement.

On February 23, 2018, Standard Life Aberdeen plc announced a proposed sale of the heritage Standard Life Assurance Limited (“SLAL”) to Phoenix Group Holdings (“Phoenix Group”) Under the terms of the agreement, Standard Life Aberdeen and Phoenix Group have agreed to and expand their existing long-term strategic partnership whereby Standard Life Aberdeen continues as Phoenix Group’s long-term asset management partner for the business acquired by Phoenix Group and extend the existing arrangements between the parties pursuant to which Aberdeen Standard Investments manages £48 billion of assets for Phoenix.

10A. Broker-Dealer

Aberdeen Fund Distributors LLC (“AFD”), a wholly owned subsidiary of ASI Inc. is a limited-purpose broker-dealer which will similarly distribute products of affiliated advisors. There are no trades executed through AFD.

It is intended that certain of our management persons may become registered as representatives of AFD.

10B. FCM, CPO, CTA

SL Capital has filed an exemption under the U.S. Commodity Futures Trading Commission (“CFTC”) Rule 4.13(a)(3) with the National Futures Association (“NFA”) in respect of the vehicles it manages.

SLI(CF) has registered under the U.S. Commodity Futures Trading Commission (“CFTC”) with the National Futures Association (“NFA”) as a Commodity Pooled Operator (“CPO”) and Commodity Trading Adviser (“CTA”).

10C. Other Relationships or Arrangements

SL Capital shares certain overhead and compliance resources with SLI(PC) Ltd and its ultimate parent, ASI. SL Capital believes that this relationship poses no material conflicts of interest to SL Capital clients.

Further to the Merger on August 14, 2017, we share affiliates with subsidiaries of Aberdeen PLC, including ASI Inc., Aberdeen Asset Management Asia Ltd. Aberdeen Asset Management Ltd. and Aberdeen Asset Managers Limited. Additionally, Aberdeen Capital Management, LLC, is a wholly owned subsidiary of ASI Inc. Each is a registered investment adviser with the SEC.

SL Capital is majority owned by ASI. SL Capital serves as the investment manager for LPs. Related parties serve as general partner for these vehicles. From time to time, ASI may make investments into these LPs on the same terms as other investors. Registered subsidiaries of Aberdeen PLC also serve as investment adviser to certain private funds and provide investment management services to limited partnership vehicles with U.S. investors. These funds may be domiciled in the U.S., as in the case of a Delaware partnership, or outside the U.S., as in the case of a Cayman LTD.

We provide advice for numerous clients. We may advise some clients or take actions for them that differ from recommendations or actions taken for other clients. We are not obligated to recommend to clients any investments that we may recommend to or purchase or sell for other clients. Our employees regularly share information, perceptions, advice and recommendations about market trends, the valuations of individual securities, and investment strategies, except where prohibited by ethical walls established by us or by applicable law or regulation. Persons associated with us may have investments in securities that are recommended to clients or held in client accounts, subject to compliance with our policies regarding personal securities trading.

Broker-Dealer and Registered Representatives

Aberdeen Fund Distributors LLC (“AFD”), a wholly owned subsidiary of ASI Inc., is a limited-purpose broker-dealer formed to distribute our proprietary funds. There are no trades executed through AFD. Certain of our management persons are registered, or have an application pending to register, as registered representatives of AFD.

Limited Partnerships or Similar Private Funds

We sponsor and serve as investment adviser to several private funds organized as limited partnerships, limited liability companies or non-U.S. entities. SL Capital and its affiliates may also serve as the general partner or managing member of these private investment vehicles.

ASI’s registered subsidiaries also serve as investment adviser to certain private funds and provide investment management services to limited partnership vehicles with U.S. investors. These funds may be domiciled in the U.S., as in the case of a Delaware partnership, or outside the U.S., as in the case of a Cayman corporation.

Participation in Privately Offered Investment Vehicles

ASI, its affiliates, officers and employees may participate individually in privately offered investment vehicles in which clients are solicited to invest. SL Capital may act as adviser or general partner (or in a similar capacity) to these investment vehicles, may receive management fees, and may participate in any profits generated by these investment vehicles. Participation by affiliates, officers and employees in such investments on such terms and the receipt of such compensation may be an incentive for such employees to devote an increased amount of time to the management of such vehicles to the detriment of other client account or investment vehicles. ASI has policies and procedures in place to mitigate this conflict.

Other Positions

Principals and employees of ASI may serve as officers, advisors, directors or provide comparable management functions for public companies and/or portfolio companies in which clients directly or indirectly invest, as well as for investment institutions that may invest in ASI funds. In addition, such principals and employees may provide other services to public companies and/or portfolio companies and may receive compensation in connection therewith. Principals and employees of ASI may be provided access to confidential information relating to public companies and/or portfolio companies in which clients may directly or indirectly invest. As a result, clients may, under certain circumstances, be prohibited for a period of time from engaging in transactions with respect to the

securities of such public companies and/or portfolio companies, which prohibition may have an adverse effect on clients.

Selection or Recommendation of Other Advisers

As a manager of funds of funds, SL Capital Partners may select other investment advisers for its clients. Certain of ASI's principals, employees and/or related persons may be invited to serve on the advisory boards of the underlying private equity funds in which clients invest to provide advice on certain conflicts of interest and other matters pertaining to such private equity funds. There may be instances where such persons are asked to vote on issues taking the needs of all investors in such private equity funds into account. Additionally, such persons may receive compensation for such services. Any such compensation will be applied to the appropriate Fund to reduce the management fees paid to ASI. Further, AMMI Funds may hold a minority interest in the managers of funds in which ASI invests through our funds of funds strategies. Investment advisory decisions whether to invest in or redeem from such funds are made by ASI's funds of funds investment committees, independent of the AMMI investment team.

As a result of the Aberdeen's acquisition of Scottish Widows Investment Partnership in 2014, Aberdeen entered into a long-term strategic relationship with Lloyds Banking Group plc ("Lloyds"). This strategic relationship operates across Lloyds' Wealth, Insurance, Commercial Banking and Retail businesses. On February 15, 2018, Standard Life Aberdeen plc ("SLA") announced that Lloyds and Scottish Widows have informed SLA that they intend to review their long term asset management arrangements including those services that are currently undertaken by certain legacy ASI entities. Lloyds and Scottish Widows have sent notices to SLA seeking to terminate the investment management arrangements to enable the review to take place. The investment arrangements Lloyds and Scottish Widows seek to terminate include services currently undertaken by certain ASI entities under arrangements agreed by Aberdeen with Lloyds at the time of Aberdeen's acquisition of SWIP in 2014. At the time of the Merger, it was agreed any termination of these arrangements is subject to a 12 month notice period, from the time that notice is validly served, before such termination takes effect.

On February 23, 2018, Standard Life Aberdeen plc announced a proposed sale of the heritage Standard Life insurance business to Phoenix Group Holdings (Phoenix Group") and an expansion of the long-term strategic partnership between the two firms, historically entered into by Standard Life. Under the terms of the agreement, Standard Life Aberdeen and Phoenix Group have agreed to significantly enhance and expand their existing long-term strategic partnership whereby Standard Life Aberdeen continues as Phoenix Group's long-term asset management partner for the business acquired by Phoenix Group and the existing arrangements between the parties under which Aberdeen Standard Investments manages £48 billion of assets for Phoenix Group have been extended. The Phoenix Group life companies have committed to review the investment management mandates not currently managed by Aberdeen Standard Investments, subject to normal commercial and governance constraints. On completion Standard Life Aberdeen will receive total consideration of £3.24bn, comprising cash consideration of £2.28bn and a shareholding of 19.99% in Phoenix Group.

Item #11 Code of Conduct, Participation or Interest in Client Trades and Personal Trading

11A. Code of Ethics

From time to time, ASI or our directors, officers, employees or affiliates may, directly or indirectly, have interests in securities owned by or recommended to our clients. These situations may represent a potential conflict of interest, so we have adopted a Code of Conduct (the “Code”), in accordance with Rule 204A-1 of the Adviser’s Act, to govern personal transactions by our directors, officers, and employees (“Access Persons”) in order to ensure that their interests do not conflict with the interests of our clients.

The Code mitigates potential conflicts of interest by requiring, among other things, pre-clearance of transactions in Reportable Securities (as defined in the Code) placed in reportable accounts. The Code restricts the purchase and sale by Access Persons for their own accounts of Reportable Securities, which have been purchased or sold for funds or clients within specified time limits. Except under certain limited circumstances, Access Persons may not engage in a personal transaction in a Reportable Security for which an order for a fund or client is pending or within seven (7) calendar days before or after execution of a client order. Provided that there are no open orders for Clients in these securities, this blackout period does not apply to transactions in certain large cap securities of a de minimis value for non-investment staff.

Access Persons are subject to reporting obligations, including completing quarterly transaction and annual holdings reports. Access Persons are required to direct their brokers to send copies of all brokerage confirmations and statements to their local Compliance Department. Alternatively, Access Persons can have the information sent by the broker via electronic feed, if available. Our procedures recognize that some Access Persons either reside in countries or maintain brokers where such statements are not regularly issued or available, and therefore these individuals are exempt from providing quarterly statements within a specific time period. In such circumstances, brokerage statements or their equivalent holdings reports must be provided as available. Employees must fully acknowledge the terms of ASI’s compliance manual, which include the Code, on an annual basis. Any employee who violates the Code may be subject to verbal or written warnings and censures, monetary sanctions, disgorgement, suspensions or dismissal, among other punitive actions.

Additionally, the Code includes provisions for employees relating to the confidentiality of client information, a prohibition on insider trading, a rumors policy, dollar restrictions on the value of accepted gifts and entertainment, and requires that certain outside business activities are approved in advance.

Our Approach to Potential Conflicts of Interest

Various parts of our brochure discuss potential conflicts of interest that arise from our asset management business model. We disclose these conflicts due to the fiduciary relationship we have with our clients. Where potential conflicts of interest arise from our fiduciary activities, we take steps to mitigate, or at least disclose, them. Conflicts arising from fiduciary activities that we cannot avoid are mitigated through written policies and procedures. Potential conflicts may arise from new products or services, operational changes, new reporting lines and market developments.

Gifts and Entertainment

We have policies and procedures in place, including the Code, which prohibit employees from accepting gifts, entertainment and other things of material value that may create a conflict of interest or give the appearance of a conflict of interest. Additionally, our employees may not offer gifts,

entertainment or other things of material value that could be viewed as attempting to unduly influence the decision-making of any client or other business partner. In general, our policies dictate that giving and receiving gifts or participating in entertainment cannot occur if the value and/or the frequency of the gift or entertainment are deemed excessive or extravagant. The policies impose specific dollar restrictions and require compliance approval of gifts and entertainment. Additional restrictions regarding gifts apply to our employees who are registered representatives of our affiliated broker-dealer.

Charitable Contributions

From time to time, clients or certain financial intermediaries may approach ASI to request that we make contributions to certain charitable organizations. Because our contribution may result in the financial intermediary or our employees or representatives recommending us or our affiliated investment advisers' products to their underlying clients, the solicitation or contribution raises potential conflicts of interest. Consequently, we maintain procedures for the review of the dollar amount and frequency for these types of charitable contributions.

Political Contributions

None of ASI's funds or assets may be contributed to any U.S. political candidate or political party. This ban includes contributions to U.S. political action committees ("PACs").

Financial contributions and non-financial contributions, such as gifts, subscriptions, or anything of value, (together "Contributions") made to certain U.S. political campaigns may raise potential conflicts of interest because of the ability of certain office holders to direct business to ASI.

Employees are therefore prohibited from making Contributions to any person running for or holding a U.S. city, county, state or other municipality-related position. This prohibition includes Contributions to U.S. city, county, state or other municipality-related PACs. Employees are permitted to make contributions to persons holding or campaigning for a federal position as long as such person does not also hold a city, county or state position. However, employees may not allow present or anticipated business relationships of ASI to be a factor and must seek approval from ASI's Compliance Department before soliciting such Contributions. Additionally, Contributions to federal PACs are permissible. In both cases, approval from ASI's Compliance Department must be received before making a Contribution. Employees are prohibited from doing indirectly what they cannot do directly and, as such, cannot funnel payments through third parties, including, for example, consultants, attorneys and/or family members, as a means to circumvent ASI's Political Contributions Policy. The solicitation and coordination restrictions relate only to fundraising activities and would not prevent ASI's employees from expressing support for candidates in other ways, such as volunteering their time.

Any federal political Contributions made or solicited by employees should be viewed as personal. Therefore, employees should never represent themselves as employees of ASI when participating in these activities (e.g., the use of ASI's letterhead for correspondence regarding these contributions is prohibited). Under Rule 206(4)-5 of the Advisers Act, the Advisers will ensure that any third party solicitor used to solicit government clients are a "Regulated Person" as defined by the Rule.

Directorships and Outside Business Activities

Access Persons are permitted to serve on the boards of directors of non-profit organizations such as educational institutions, charitable foundations or other civic organizations. Access Persons are not permitted to serve on the board of directors of any publicly traded company without prior authorization. Authorization is generally based upon a determination that the board service would be consistent with the interests of the firm and the clients under their management.

In general, all Access Persons' Outside Business Activities are tracked and reviewed by ASI's Compliance Department to ensure they do not conflict with the duty that we owe to clients.

Material Non-Public Information

Our investment personnel, in the course of research or other related activities, may from time to time acquire confidential or material non-public information that may prevent ASI from purchasing or selling particular securities for certain clients. Consequently, certain clients could realize a positive or negative impact to overall performance. We maintain policies and procedures for handling material non-public information.

A complete copy of the Code is available upon request to the following:

SL Capital Partners
ATTN: Compliance Department
1 Beacon Street, 34th Floor
Boston, MA 02108

11B. Securities Where SL Capital has a Material Financial Interest

From time to time, SL Capital or its related persons may make investments in the LPs for which SL Capital serves as manager.

As referenced in Item 6, in order to ensure the fair treatment of clients, SL Capital has a detailed policy for the allocation of investment opportunities between vehicles which may have a similar strategy. All investment allocations are approved internally by the Investment Committee(s). In addition, allocations of all investments (whether fund investments or co-investments) are reviewed by the independent Advisory Committee of each limited partnership vehicle or the Board of Directors of SLPET, as appropriate. Each Advisory Committee comprises a representative group of investors from that vehicle.

11C. Recommendation of Securities Held in Employee Accounts

The potential conflicts arising from personal trading, and the policies adopted by SL Capital to mitigate those potential conflicts, are described above in 11A.

11D. Investing in the Same/Similar Securities for Personal Accounts as Client Accounts

The potential conflicts arising from personal trading, and the policies adopted by SL Capital to mitigate those potential conflicts, are described above in 11A.

SL Capital encounters conflicts of interest in the routine conduct of its business. Consistent with Conduct rules of the FCA and its fiduciary duties under U.S. regulations, SL Capital has implemented a robust suite of policies, procedures, controls, and reporting to manage these conflicts effectively. In addition to the conflicts indicated in other parts of the document, below are conflicts identified by SL Capital and the primary means by which they are mitigated.

Allocation of Investment Opportunities:

- SL Capital considers investment opportunities (both fund and co-investments) which may be suitable for more than one of its clients. In addition, SL Capital may not be able to secure the

target allocation for all clients. In such cases, there may be factors which could give rise to a potential conflict to favour one client over another. These may include: superior (i.e. higher) management or performance fees, existence of investors in the LP with which SL Capital or its partners, officer, or directors have a significant relationship.

- As stated above in Item 6, SL Capital has a detailed policy for the allocation of investment opportunities between LPs which may have a similar strategy. All investment allocations are approved by SL Capital's Investment Committee(s). In addition, allocations of all investments are reviewed by the Advisory Committee of each limited partnership vehicle and the Board of Directors of SLPET, as appropriate. Each Advisory Committee comprises a representative group of investors in that vehicle.

Affiliated General Partner:

- Affiliates of SL Capital serve as the general partner for its limited partnerships. As such, SL Capital is in a position to influence decisions made by the general partner regarding the allocation of expenses (both regular and one time) in a way that could benefit SL Capital, its partners, directors, or officers investing in the funds, or other investors with which SL Capital has a significant relationship.
- In addition, SL Capital may be incentivised to influence the decision by the general partner in regards to service providers. For example, SL Capital may attempt to influence a decision in such a way that a related person is chosen to provide services to the Fund when a superior unrelated alternative exists
- The allocation of expenses is codified within the constitutional documents of each partnership. All investors in funds managed by SL Capital receive copies of the audited financial statements. The selection of service providers is governed by a robust procurement policy and only unrelated providers are considered for primary service roles, including administrator, auditor, and custodian.

Fee Structure:

Management Fees

- Management fees charged by SL Capital LPs are based on either commitments, amounts drawn from investors or on the current market value of investments. These arrangements are fully disclosed in the legal documents of each Fund.
- Where management fees are based on the current market values of investments, this may incentivise SL Capital to artificially inflate the value of the Funds investments in order to report higher fund values and therefore allowing SL Capital to collect higher management fees. Similarly, SL Capital may have an incentive to allow the managers of the Funds in which it invests to artificially adjust valuations of those investments.
- To mitigate this potential conflict, SL Capital has a detailed valuation policy, fundamentally based on the valuations received from the managers of the funds in which it invests. All investments are valued quarterly in accordance with the *International Private Equity and Venture Capital Valuation Guidelines* ("Guidelines"). The Guidelines establish a framework for measuring fair value and define fair value as the price that would be received upon selling an

investment in an orderly transaction between willing market participants at the valuation date. Valuation involves regular and ongoing meetings with the managers of those funds to gain understanding of the underlying portfolio companies and the drivers of those values. Valuations of the fund's investments are reviewed by the advisory committee for each fund and are considered during the audit of the financial statements.

- The key controls employed by SL Capital in the valuation of its funds are also included in the scope of the Internal Controls Report (ISAE 3402).
- Where management fees are based on amounts drawn from investors, a potential conflict may exist to make investments more quickly than might otherwise be optimal for the benefit of investors. However, SL Capital's fee structures (including carried interest) are agreed with investors in the respective funds in order to provide alignment of interests over the life of the fund.
- As discussed above, all investment opportunities are rigorously challenged by the Investment Committee(s) and will be reviewed by the advisory committee of the fund, which is comprised of representatives from investors in the fund.

Carried Interest

The carried interest arrangements for all LP funds are driven by realised values, with carried interest only becoming payable once realised performance hurdles are achieved. No carried interest is payable based on valuation of unrealised valuations, removing any incentive for the manager to artificially inflate valuations for this purpose.

Funds Investing in other SL Capital Funds:

Where an SL Capital fund acquires an interest in a fund of funds vehicle managed by SL Capital, there is a conflict with regard to the appropriate use of capital, allocation opportunities with other vehicles and decisions around co-investment opportunities. These conflicts are mitigated by ensuring the opportunity fits within the investment policy of the fund, applying the standard allocation policy practices and the discretion that SL Capital has on offering co-investments. In addition, any opportunity of this nature would require Advisory Board consent to proceed.

Side Letter Agreements:

Side Letter Agreements (SL Capital may enter into side letter arrangements with certain investors that provide such investors with different or preferential rights or terms). Such side letter provisions only relate to meet specific legal, regulatory or policy considerations of certain investors, in a way that is not considered to involve preferential treatment.

Litigation:

ASI could invoke legal proceedings against companies and their advisors that we have holdings in, who are ASI clients or in which ASI employees have interests in or with whom they are associated. ASI may choose not to pursue litigation where it would be appropriate, because we have other business relationships that could be harmed by pursuing litigation.

Conduct of all litigation is managed by SL Capital Legal and subject to appropriate governance.

Expenses:

SL Capital has an incentive to cause the private funds to pay expenses that SL Capital would typically have to pay. Furthermore, SL Capital may be conflicted in the choice of service providers due to other commercial incentives i.e. overpaying certain service providers to reward for other commercial businesses. There are various controls and processes in place to ensure expenses are paid and suppliers are chosen properly. The controls include:

- All expenses are adequately outlined in fund documentation,
- Private funds go through independent audits,
- Expenses are reviewed by the Risk & Compliance Team,
- Suppliers are chosen through the procurement process which is separate from the other SL Capital functions.

Engagement of common legal counsel:

Engagement of common legal counsel with other advisers in a particular transaction, including a transaction in which there may be conflicts of interest. Any such conflicts are identified at the commencement of a deal and action taken (which may include engagement of different legal counsel) to ensure such a conflict is appropriately managed.

Item #12 Brokerage Practices

12A. Broker Selection

This is unlikely to be applicable to SL Capital due to the nature of the investments made by SL Capital on behalf of its clients.

The Funds hold either fund interests or private unlisted securities. Occasionally, the Funds may hold quoted securities following a public placing of an investee company. In such an event, a rigorous process will be followed to ensure no potential conflicts of interest arise.

12B. Order Aggregation

This is unlikely to be applicable to SL Capital due to the nature of the investments made by SL Capital on behalf of its clients.

The portfolios hold either fund interests or private unlisted securities. Occasionally, the LPs may hold quoted securities following a public placing of an investee company. In such an event, a rigorous process will be followed to ensure no potential conflicts of interest arise.

Item #13: Review of Accounts

The investments held by each client are subject to continuous review by SL Capital. This is undertaken through regular interaction with the fund managers, on-site visits, active representation on the advisory boards and attendance at all the formal annual/semi-annual meetings for the fund manager. SL Capital operates a 'point' and 'shadow' investment responsibility system so there is always someone who can attend and meaningfully contribute to all meetings with managers.

SL Capital provides (as a minimum) the following reports to all investors within the LPs:

- Quarterly capital statements
- Quarterly managers reports
- Annual audited financial statements

Item #14: Client Referrals, Other Compensation

SL Capital is currently not engaging the services of a placement agent. If these circumstances were to arise, any costs incurred are paid by SL Capital.

Item #15: Custody

SL Capital does not maintain physical custody of clients' assets and has appointed an independent custodian to safe-keep the assets (including cash) of each Fund. SL Capital may be deemed to have custody for certain Funds under the provisions of Rule 206(4)-2 under the Advisers Act because certain affiliates of SL Capital serve as General Partner. The assets held by the SL Capital funds are legal agreements and other indicia of ownership interests (e.g. LP documents).

The investments owned by the vehicle are held, where appropriate, by the independent appointed custodian and are reconciled regularly by SL Capital.

Item #16: Investment Discretion

SL Capital has investment discretion and/or makes investment recommendations over clients' accounts as outlined in 4B.

The investment strategy and any applicable restrictions for each Fund are stated in the legal documentation for that vehicle. All investments made by Funds are included in the quarterly reports which are sent to all investors.

Item #17: Voting Client Securities

Due to the nature of the investments in the Funds, it is not expected that SL Capital would have instance to vote proxies on shares publicly offered.

Where clients appoint SL Capital to vote proxies on their behalf. Policies have been established to vote these proxies in the best interests of our clients.

We employ ISS as a service provider to deliver our voting decisions efficiently to companies. We require ISS to provide recommendations based on our own set of parameters to tailored ASI's assessment and approach, but remain conscious that all voting decisions are our own on behalf of our clients. We consider ISS's recommendations and those based on our custom parameters as input to our voting decisions.

An ASI analyst will assess the resolutions at general meetings in our active investment portfolios. This analysis will be based on our knowledge of the company, but will also make use of the custom and standard recommendations provided by ISS as described above. The product of this analysis will be final voting decision instructed through ISS applied to all funds and clients for which ASI have been appointed to vote For funds managed by a sub-adviser, we may delegate to the sub-adviser the authority to vote proxies; however, the sub-adviser will be required to either follow our policies and procedures or to demonstrate that their policies and procedures are consistent with ours, or otherwise implemented in the best interest of clients.

There may be certain circumstances where SL Capital may take a more limited role in voting proxies. We will not vote proxies for client accounts in which the client contract specifies that SL Capital will not vote. We may abstain from voting a client proxy if the voting is uneconomic or otherwise not in clients' best interests. For companies held only in passively managed portfolios, SL Capital custom recommendations provided by ISS will be used to automatically apply our voting approach; we have scope to intervene to test that this delivers appropriate results, and will on occasions intrude to apply a vote more fully in clients' best interests. If voting securities are part of a securities lending program, we may be unable to vote while the securities are on loan. However, we have the ability to recall shares on loan or to restrict lending when required, in order to ensure all shares have voted. In addition, certain jurisdictions may impose share-blocking restrictions at various times which may prevent SL Capital from exercising our voting authority.

We recognize that there may situations in which we vote at a company meeting where we encounter a conflict of interest. Such situations include:

- Where a portfolio manager owns the holding in a personal account,
- An investee company that is also a segregated client.
- An investee company where an Executive Director or Officer of our company is also a Director of that company.
- An investee company where an employee of ASI is a Director of that company.
- A significant distributor of our products.
- Any other companies which may be relevant from time to time

In order to manage such conflicts of interests, we have established procedures to escalate decision-making so as to ensure that our voting decisions are based on our clients' best interests and are not impacted by any conflict.

Clients may obtain a free copy of SL Capital's proxy voting policies and procedures and/or proxy voting records for their account by contacting us at (215) 405-5700. ASI publishes Stewardship

Principles, which describe our approach to investment analysis, shareholder engagement and proxy voting across companies worldwide. There are published on our website.

Clients that have not granted SL Capital voting authority over securities held in their accounts will receive their proxies in accordance with the arrangements they have made with their service providers.

Item #18: Financial Information

18A. Financial Information if Prepayment of Fees is Required

Not applicable for SL Capital (as fees are charged on a quarterly rather than six monthly basis).

18B. Financial Information if Discretionary Authority

SL Capital is not aware of any financial condition which is reasonably likely to impair its ability to meet its contractual commitments to its clients.

18C. Bankruptcy

Neither SL Capital, nor any of its affiliates, has been the subject of a bankruptcy petition.

Item #19: Information Required for State Registered Advisers

SL Capital does not intend to register with state securities authorities