



Vine Investment Advisors, LP

Part 2A of Form ADV

The Brochure

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

Additional information about Vine Investment Advisors, LP also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Vine Investment Advisors, LP is 157341.

Any reference to Vine Investment Advisors, LP as a "registered investment adviser," or as being "registered," does not imply a certain level of skill, training or ability with respect to the provision of investment advisory services.



Material Changes

The amendment to this brochure, dated March 26, 2019, contains no material changes from Vine Investment Advisors, LP's previous brochure, which was filed on March 28, 2018.



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Advisory Business

Vine Investment Advisors, LP (“Vine”) is a Delaware limited partnership that was formed in 2007. Vine is majority owned by Mr. James P. Moore, Managing Partner and Chief Executive Officer (“CEO”), Mr. Stephen A. Kovach, Chief Financial Officer (“CFO”) and Mr. William E. Lambert, Chief Investment Officer (“CIO”) each own minority interests. These three individuals collectively are referred herein as the (“Principals”) of Vine. Vine, the filing advisor, and Vine Alternative Investments II, LP (“VAI II”), Vine Alternative Investments III, LP (“VAI III”), and Vine Alternative Investments IV, LP (“VAI IV”), all of which are registered under the Investment Advisers Act of 1940, as amended (the “Advisers Act”) pursuant to Vine’s registration as “relying advisers”, are submitting a single form brochure. Vine, VAI II, VAI III and VAI IV operate as a single advisory business.

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

Vine is based in New York and is managed by the Partners, who bring significant collective experience in investment management, structured finance and media-based content investing. The team seeks to enhance Fund returns through active management that aligns the interests of its Funds with those of media and entertainment content providers and distributors. The core of Vine’s strategy and execution lies in robust transaction diligence, sophisticated transaction analytics and active investment monitoring that incorporates:

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

Capitalizing on the experience and skill set of its Principals, Vine opines on the structure of investments with the goal of optimizing Fund returns. Since investors in the Funds may have conflicting investment criteria, Vine has the experience and capability to develop individual investment strategies tailored to meet each Fund’s needs. However, conflicts could arise in connection with decisions that need to be made by Vine, including the decision to acquire or divest certain assets. Vine generally considers the investment objectives of each Fund when making these decisions, but has established formal conflict resolution procedures as a guideline to deal with unanticipated conflicts. In addition, Vine and its related persons may consult a Fund’s advisory board. The advisory board will advise Vine and its related persons on a non-binding basis with a



view to the resolution of any issues that may arise from time to time in a fair and equitable manner involving actual or potential conflicts of interest among the Funds and Vine and its affiliates. Vine also permits Fund investors, through side letter agreements, to restrict the use of their capital to certain types of investments.

Vine does not participate in wrap fee programs.

At December 31, 2018, Vine managed \$1,498,200,000 of regulatory assets on a discretionary basis and \$0 on a non-discretionary basis.

Fees and Compensation

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

Vine generally deducts management fees directly from Fund accounts quarterly in advance. VAI II, VAI III and VAI IV, all affiliates of Vine, generally are allocated performance-based fees from Funds either monthly or quarterly, as prescribed by each Fund’s Partnership Agreement or Investment Management Agreement (defined herein), as applicable. Performance-based fees are not paid to Vine affiliates until the Fund and investors therein have received their aggregate capital contributions plus a minimum performance return (the “preferred return”). VAI II, VAI III and VAI IV are permitted to invest in the Funds without being charged management fees or performance-based fees.

Description of Vine Fees and Compensation:

The fees and expenses applicable to each Fund are set forth in each Fund’s respective Partnership Agreements or Investment Management Agreements, and are generally dependent upon the scope of advisory services rendered. Generally, we accept a fee based on a percentage of assets under management and performance-based fees. Vine has the sole discretion to amend such investor or Fund fee and compensation arrangements. Vine has accepted side letter agreements from larger and strategic investors that amend certain terms including, but not limited to, fees and carried interest.

As all of our Funds are “qualified purchasers”, as defined in Section 2(a)(51)(A) of the 1940 Act, Vine is not required to provide a detailed fee schedule herein.

Funds generally bear their own expenses including: the fees payable to Vine, legal, audit, accounting, tax and investment consulting expenses (including third party valuation services); organizational expenses; insurance (including directors and officers and errors and omissions liability insurance); investment expenses such as investment due diligence fees (including meal



and travel); interest on indebtedness; custodial fees; administrator fees and expenses; and any other expenses reasonably related to the purchase, monitoring or sale of Fund assets. In some instances, expenses are allocated between multiple Funds, in accordance with each Fund's respective Partnership Agreements or Investment Management Agreements. Allocations of expenses between multiple Funds are determined by Vine and based on the facts and circumstances of such expenses.

The Funds will incur brokerage and other transaction costs to the extent that a Fund may hold publicly-traded securities. Funds will incur such brokerage costs. See Item 12, Brokerage Practices for a detailed discussion of Vine's brokerage practices.

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

Performance Based Fees and Side-by-Side Management

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

All performance-based fees are structured subject to Section 205(a)(1) of the Investment Advisers Act of 1940, as amended, and the rules and regulations thereunder (the "Advisers Act"), including the exemption set forth in Rule 205-3 of the Advisers Act permitting performance-based fee arrangements with "qualified clients". Accordingly, Vine has established controls and procedures designed to ensure that all investors in the Funds satisfy the qualifications of Rule 205-3, and have been advised of the terms of such performance based fees and the associated risks.

Performance-based fees may create an incentive for Vine to advise or cause Funds to make investments that may be riskier or more speculative than those which would be made under a different fee arrangement. However, Vine is committed to fulfilling its fiduciary duty to the Funds to act at all times in the best interest of the Funds. To this end, Vine has implemented internal controls to address the potential conflicts associated with performance-based fees, and continually reassesses these controls.

Currently, Vine does not provide investment advisory services to any Funds other than those described above. However, Vine retains the right to enter into investment advisory agreements with other clients subject to terms that may or may not be similar to those terms currently applicable to the terms of Vine's current Funds, including terms regarding Vine's fees and compensation. This could result in a conflict of interest if Vine and its affiliates were to allocate investment opportunities among these accounts based on performance-based fees. To avoid such conflict of



interest Vine has established and will follow documented procedures designed to resolve issues around allocation of investments among such accounts, which will not take into account the performance-based fees and allocations to which such accounts are subject. In addition, Vine and its related persons may consult a Fund's advisory board. The advisory board will advise Vine and its related persons on a non-binding basis with a view to the resolution of any issues that may arise from time to time in a fair and equitable manner involving actual or potential conflicts of interest among the Funds and Vine and its affiliates.

Types of Clients

Vine currently provides investment advice to the Funds, which are private fund investment vehicles that are exempt from registration under the 1940 Act. Investors in the Funds are generally institutional investors or individual investors that are "qualified purchasers" (as defined in the 1940 Act).

The minimum opening investments in the Funds are generally \$5,000,000 for both qualified individual investors and qualified institutional investors. In its sole discretion, Vine may make exceptions to these minimums.

Methods of Analysis, Investment Strategies and Risk of Loss

INVESTMENT PROCESS

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

Transaction Pipeline

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

Investment Screening

Each investment opportunity is screened in order to determine suitability with respect to compliance with the investment guidelines and return targets of each Fund. This investment



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

Transaction Review

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

Investment Committee Review

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

INVESTMENT RISKS

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



General

An investment in the Funds might not be suitable for certain investors and, in any event, an investment in the Funds should constitute only a limited part of an investor's total investment portfolio. There can be no assurance that the Funds will return a profit or that cash will be available for distributions to a Fund's investors. Fund investments involve a high degree of business and financial risk that can result in substantial losses. The descriptions contained below are a brief overview of the material risks related to Vine's investment strategy; however, it is not intended to serve as an exhaustive list or a comprehensive description of all risks and conflicts that may arise in connection with the management of, or an investment in, the Funds.

Concentration of Investments

Each Fund will participate in a limited number of investments and intends to make the majority of its investments in one industry. As a result, a Fund's investment portfolio may be highly concentrated, and the performance of a few holdings may substantially affect its aggregate return. Furthermore, to the extent that the capital raised is less than the targeted amount, a Fund may make fewer investments and thus be less diversified.

Need for Follow-On Investments

Following initial investments in a given portfolio holding, the Funds may decide to provide additional funds to such portfolio holding or its subsidiaries or may have the opportunity to increase their respective investments in a portfolio holding (whether for opportunistic reasons, to fund the needs of the business, as an equity cure under applicable debt documents or for other reasons). There is no assurance that the Funds will make follow-on investments or that the Funds will have sufficient funds to make all or any of such investments. Any decision by the Funds not to make follow-on investments or its inability to make such investments may have a substantial negative effect on a portfolio holding in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made). Additionally, such failure to make such investments may result in a lost opportunity for the Funds to increase its participation in a portfolio holding or the dilution of a Fund's ownership in a portfolio holding if a third party invests in such portfolio holding.

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

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

Media and Entertainment Industry Risk

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

Uncertainty of Content Distribution and Performance

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

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

The Funds do not plan to build or acquire their own distribution channels or platforms. As a result, distribution of the Funds' assets will be handled by third parties. The Funds' strategy of aligning their interests across a diversified universe of media and entertainment companies may increase the risk that certain Fund investments will compete for viewers with each other. Performance of Fund investments are also subject to competition from other forms of entertainment and leisure activities at any particular time. The ability to successfully distribute media and entertainment content will depend on the capabilities of each respective third-party distribution platform, but may be impacted by uncertainties beyond the control of such third party. A distributor could enter bankruptcy proceedings or otherwise fail to perform its obligations to a Fund, which could negatively affect the Fund's returns. While the Funds will seek contractual protections, there can be no assurance that the third parties will successfully distribute the Funds' content.

Competition

Creators of content, such as film and television studios and production companies, compete intensely to obtain the services of creative talent and copyrights, which may impact the costs associated with creating content. Competition for exhibition of films is also intense. The successful distribution of films the Funds have an interest in may be adversely impacted by competition from well-established companies that may have greater financial and marketing resources. There can



be no assurance that the media and entertainment content underlying the Funds' investments will compete successfully with such other competitors' properties or that desired creative talent or copyrights will be obtained.

Non-controlling Investments

Vine anticipates that the Funds will principally hold debt obligations and other non-controlling interests in assets or entities and, therefore, will have a limited ability to protect each Fund's position in such assets or entities. However, Vine will seek appropriate creditor and shareholder rights to help protect each Fund's interest.

No Control Over Production

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

No Control Over Distribution

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

Piracy

The media and entertainment industry as a whole is subject to intellectual property theft globally. It is impossible to measure the impact of piracy on the media and entertainment industry, however



it may be significant. Technological advancements have facilitated the unauthorized reproduction of motion pictures, television shows and music through the use of digital files, which has made it more difficult to contain the loss of revenue from piracy. While the major studios, music publishing companies and various trade organizations continually seek to limit or prevent piracy, there can be no assurance that these efforts will be successful.

Labor Relations

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

Not a Liquid Investment

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

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

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

Restricted Nature of Investment Positions

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

Leverage

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

Ability to Attract Debt Capital

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

Interest Rate Risk on Underlying Investments

Fixed and floating rate investments may be financed with the Fund's debt borrowings that bear interest at floating rates. Increases in interest rates may increase the financing costs of the underlying Fund investments and therefore may negatively impact the amount of cash flow available to the Fund. There is no assurance that interest rate hedging arrangements will be put in place and will protect the Fund against increases in interest rates. In addition, floating rate Fund investments may negatively impact the amount of cash flow available to the Fund should interest rates fall.



Risks Relating to Hedging Strategies

Each Fund, directly or indirectly, may opt to use a variety of financial instruments such as derivatives, options and caps for risk management purposes in order to: (i) protect against possible changes in the market value of such Fund's investment portfolio resulting from fluctuations in the securities markets and changes in interest rates; (ii) protect such Fund's unrealized gains in the value of such Fund's investment portfolio; (iii) hedge the interest rate on any of such Fund's liabilities or assets; or (iv) for any other risk management related purposes that Vine deems appropriate.

Vine is not required to attempt to hedge portfolio positions in any Fund and, for various reasons, may determine not to do so. Furthermore, Vine may not anticipate a particular risk so as to hedge against it. While a Fund may enter into hedging transactions in seeking to reduce risk, such transactions may result in a poorer overall performance for such Fund than if it had not engaged in any such hedging transaction. For a variety of reasons, Vine may not seek to establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Such imperfect correlation may prevent a Fund from achieving the intended hedge or expose such Fund to risk of loss. The success of the hedging strategy of a Fund is subject to Vine's ability to assess correctly the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolios being hedged. Since the characteristics of many securities change as markets change or time passes, the success of a Fund's hedging strategy is also subject to Vine's ability to recalculate continually, readjust and execute hedges in an efficient and timely manner.

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

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

Carried Interest and Management Fees

The existence of Vine's Carried Interest in the Funds, which is based on a percentage of net profits, may create an incentive for more speculative investments to be made by Vine on behalf of the Funds than it would otherwise make in the absence of such performance-based arrangements. In addition, because Management Fees may be based upon each Fund's net asset value during the life of the Funds with respect to one or more investors, the fee structure may create an incentive to deploy capital or hold or sell an investment when the Fund's general partner may not have otherwise done so.



Director Liability

The Funds may seek to obtain the right to appoint one or more representatives to the board of directors (or similar governing body) of the companies in which it invests. Serving on the board of directors (or similar governing body) of a portfolio holding exposes the Funds' representatives, and ultimately the Funds, to potential liability. Not all portfolio holding may obtain insurance with respect to such liability, and the insurance that portfolio companies do obtain may be insufficient to adequately protect officers and directors from such liability. In addition, involvement in litigation can be time consuming for such persons and can divert the attention of such persons from the Funds' investment activities.

Uncertain Economic and Political Environment

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

Cybersecurity Risks

Vine, the Funds and their respective service providers are susceptible to cybersecurity risks that include, among other things, theft, unauthorized monitoring, release, misuse, loss, destruction or corruption of confidential and highly restricted data; denial of service attacks; unauthorized access to relevant systems, compromises to networks or devices that Vine, the Funds and their service providers use to service the Funds' operations; or operational disruption or failures in the physical infrastructure or operating systems that support Vine, the Funds and their service providers. Cyberattacks against or security breakdowns of Vine, the Funds or their service providers may adversely impact the Funds and their investors, potentially resulting in, among other things, financial losses; the inability of Vine or the investors to transact business and the Funds to process transactions; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs; and/or additional compliance costs. The Funds and Vine may incur additional costs for cybersecurity risk management and remediation purposes. In addition, cybersecurity risks may also impact issuers of securities in which the Funds invest, which



may cause a Fund's investment in such issuers to lose value. There can be no assurance that Vine, a Fund or its service providers will not suffer losses relating to cyber-attacks or other information security breaches in the future.

Disciplinary Information

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

Other Financial Industry Activities and Affiliations

Neither Vine nor any management person is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer. Neither Vine nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities. However, VAI II and VAI III have filed as exempt commodity pool operators with the U.S. Commodity Futures Trade Commission.

Neither Vine nor any of its management persons has any relationship or arrangement that is material to Vine's advisory business or its Funds with the related persons described in the instructions to this Item.

Vine does not recommend or select other investment advisers for its Funds.

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

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

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



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

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

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

If deemed appropriate, a Fund may purchase from or sell investments to another Vine Fund (i.e., cross trade). Vine will effect any such transaction in accordance with its trading policy and any limitations in the applicable Funds' offering documents. All trades must be approved by Vine's Investment Committee and discussed with the relevant Funds.

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

While Vine currently only invests in private securities and, therefore, all information it receives about such securities is non-public information, employees are strictly forbidden from engaging in any activity that could be deemed insider trading, either personally or on behalf of Vine's Funds. Employees are also strictly prohibited from passing on confidential information to others or attempting to act on such information for personal gain. Vine's Insider Trading Policies and Procedures apply to all employees, as well as any transactions in any securities by family members, trusts, or corporations, directly or indirectly controlled by such persons. The policy also applies to transactions by corporations in which the employee is a 10% or greater stockholder, as well as transactions by partnerships of which the employee is a partner unless the employee has no direct or indirect control over the partnership.

Other Potential Conflicts of Interest.

Certain of the Firm's employees have made capital commitments and thus have a direct financial interest in the transactions of the Funds. Investments by such related persons are intended to align the interests of the Firm and its related persons with those of the Funds; however, such investments



may create conflicts of interest. To address such conflicts, the investment arrangements are described and agreed upon in each Fund's Partnership Agreement.

Additionally, the Firm is responsible for valuing the assets of its Funds and does so internally (*i.e.*, the Firm does not currently utilize a third party for valuation purposes). Due to the nature of the Firm's investment strategy, many of the Fund assets are priced in the absence of a readily available market and are priced on determinations of fair value, which may prove to be inaccurate. The valuation of Fund portfolio investments is determined internally by the Firm based on, to the extent possible, the most currently available data. On a regular, ongoing basis, the Firm obtains updates on each investment's financial performance, as well as information on economic and industry trends. Conflicts of interest may arise with the presentation or reporting of valuations to investors or otherwise.

Conflicts of interest not described herein may also exist. The Firm can give no assurance that any conflicts of interest will be resolved in favor of a particular Fund or investors in such Fund.

Brokerage Practices

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

Vine does not generally engage in traditional brokerage activities on behalf of the Funds because the securities that it typically purchases or sells on behalf of the Funds are acquired and disposed of in privately negotiated purchase and sale transactions. However, to the extent Vine determines it is in the best interest of its Funds to engage in traditional securities trading, Vine is authorized to determine the broker or dealer to be used for each such investment transaction. Vine has an obligation to seek the best execution of client investment transactions whether public or private.

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

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



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

Vine does not consider Fund referrals in the selection of counterparties to source or execute investments in portfolio companies and does not permit its Funds or investors to stipulate the direction of brokerage.

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

Review of Accounts

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

In addition, the investments held in each Fund portfolio are reviewed by the Investment Committee on a monthly basis in connection with determining each Fund's net asset value. Investments are reviewed to ensure compliance with the Funds' investment objectives and any investment restrictions, accurate U.S. Generally Accepted Accounting Principles ("GAAP") fair market values in accordance with ASC 820 and accurate ongoing accounting.

More frequent reviews of a Fund account may be triggered by any unusual activity or special circumstances, including, without limitation, changes in the financial markets, activity and trends in the political or economic environment, as well as the specific circumstances affecting each Fund.

Client Referrals and Other Compensation

No one other than the Funds provides an economic benefit to Vine for providing investment advice or other advisory services to the Funds.

From time to time, Vine enters into solicitation arrangements pursuant to which it compensates a third party for investor referrals. Any investor referral fee paid by any Funds in relation to a solicitation arrangement will receive a dollar for dollar reduction against any Management Fee payable to Vine by such investor.



Custody

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

Investment Discretion

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

Voting Client Securities

Vine's Funds generally only invest in privately-held securities; as such, it is unlikely that any Fund will be placed in a position of proxy voting authority. In a rare instance when an investment-related vote is needed, Vine generally has voting discretion over securities held in its Funds' names on behalf of its investors pursuant to its discretionary authority and will vote any proxies in the best interests of the Funds. Fund investors concede their rights of management, direction, operation or voting to Vine upon entering their respective Funds.

Occasions may arise in which Vine is required to vote a proxy while having a conflict of interest with a Fund. To protect the Funds against a breach of Vine's duties to them, on any occasion when a proxy vote presents a conflict of interest, Vine will consult on the matter and conduct a conflict analysis accordingly.



With respect to instances where Vine has voted proxies on behalf of the Funds, the Funds may obtain information about how proxies were voted or a copy of Vine's proxy voting policies by contacting Vine at the number provided on the cover page of this brochure.

Financial Information

Vine does not require or solicit prepayment of more than \$1,200 in fees per Fund, six months or more in advance, and therefore has not included a balance sheet. Vine has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage Fund accounts.

Requirements for State-Registered Advisers

Not applicable.