

The logo consists of the word "ENERGENT" in a white, bold, sans-serif font, centered within a solid black square. The background of the entire page is a faded, high-angle photograph of a rugged mountain range with steep cliffs and dense evergreen forests.

ENERGENT

ENERGENT, L.P.

FORM ADV 2A Disclosure Brochure

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MARCH 26, 2019

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March 26, 2019

This Form ADV Part 2A (this “Brochure”) provides information about the qualifications and business practices of Energent, L.P. If you have any questions about the contents of this Brochure, please contact us at (888) 886-7468 and/or compliance@nrgnt.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about Energent, L.P. also is available on the SEC’s website at www.adviserinfo.sec.gov.

Though Energent, L.P. may refer to itself as a “registered investment adviser,” this statement does not imply a certain level of skill or training.

Item 2. Material Changes

This Brochure is an annual amendment to the Form ADV Part 2A last filed by Energent, L.P. on March 30, 2018. Since last updated, we have removed all potential civil claims filed against our firm's principals in Item 9: Disciplinary Information. We also updated our investment strategy to include renewable energy services businesses. However, we recommend that you read this Form ADV Part 2A in its entirety.

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Item 4. Advisory Business

Shane Starr and Matthew Brown formed Energent, L.P. (also “our firm” or “we”) on April 1, 2016. Energent GP, L.L.C. serves as the general partner of Energent, L.P. and Shane Starr and Matthew Brown are the sole limited partners. Shane Starr and Matthew Brown are also the sole managers and members of Energent GP, L.L.C. As a result, Shane Starr and Matthew Brown own and control Energent, L.P.

As of the date of this Brochure, our firm provides discretionary investment advisory services to one pooled investment vehicle, Energent Infrastructure Fund, L.P. (the “Fund”). Our investment strategy for the Fund generally focuses on generating attractive risk-adjusted returns by investing in renewable energy infrastructure and services companies supported by a high-degree of revenue certainty. We generally invest in (i) renewable energy infrastructure that benefit from long-term contracted revenue and (ii) renewable services companies that are positioned to capitalize on opportunities provided by the accelerating decarbonization of energy production and feature contracted revenue profiles. Our firm follows a defined investment process for sourcing, selection, diligence, financial analysis, price negotiation, execution, asset management, cash flow harvesting and exit. Although we have not yet engaged a broker-dealer, our firm may in the future also invest in a limited amount of equities, stocks, bonds, futures or other financial instruments for hedging or cash management purposes. The investment advice that we provide is limited to the foregoing types of investments.

Our firm does not participate in wrap fee programs.

As of January 31, 2019, we have regulatory assets under management of \$125,000,000, all of which we manage on a discretionary basis.

Item 5. Fees and Compensation

Our firm, or one of our affiliates, receives compensation from the Fund in the form of a fee based on the percentage of assets under management and performance-based compensation based on realized gains. We only offer interests in the Fund to “qualified purchasers” as defined in the Investment Company Act of 1940, as amended. Qualified purchasers are generally individual investors or certain family-owned entities with over \$5,000,000 in investments or entities with over \$25,000,000 in investments.

We deduct our asset-based fees directly from investors’ accounts at the beginning of each quarter. The Fund is a closed-end fund, so we do not anticipate that there will be many, or any, investor withdrawals, but in the unlikely event that an investor withdraws its investment before the end of the billing

period, our firm will refund a *pro rata* percentage of any asset-based fee that the investor paid in advance based on the date of the investor's withdrawal. Performance-based compensation will not be paid in advance and will be allocated and distributed to our affiliate from realized gains on investments.

The Fund bears various costs, fees and expenses in addition to the compensation payable to our firm and our affiliates. All of its investors and prospective investors should review the private placement memorandum of the Fund, which discusses the particular expenses that the Fund bears. However, below is a list of the investment and operating costs, fees and expenses that the Fund typically incurs:

- fees and expenses (including legal, travel, entertainment (for purposes of capital raising), accounting, filing, printing and other organizational expenses) incurred in connection with the organization, funding, and start-up of the Fund and its affiliated entities (excluding any parallel vehicles and alternative investment vehicles), including, without limitation, the preparation of, and negotiations with respect to, the Fund's limited partnership agreement and any side letters or similar agreements with investors, as well as any fees or expenses associated with the recruitment of our firm's management team; provided that, the Fund only bears such expenses up to an amount equal to the greater of: (i) \$1,000,000, or (ii) four-tenths of a percent (0.4%) of the net asset value of the Fund's assets;
- any private placement or finders' fees paid by the Fund to third parties in connection with the organization or funding of the Fund or the sale of limited partner interests in the Fund; provided that, the Fund only bears such expenses up to an amount equal to ten percent (10%) of the aggregate capital commitments made to the Fund;
- all investment-related expenses (i.e., expenses that, in the determination of Emergent Infrastructure Fund GP, L.P., the Fund's general partner (the "General Partner"), are related to the investment of the Fund's assets, whether or not such investment was ultimately made, including, without limitation:
 - expenses related to research, evaluation and acquisition of investments of the Fund and all third-party expenses in connection therewith (including, without limitation, expenses related to due diligence, underwriting and private placements, brokerage commissions, interest on, and fees and expenses arising out of, debit balances or borrowings, sales charges, solicitation fees, arranger fees, exchange, clearing and settlement charges, transaction fees and expenses, asset verification, and pricing and valuation fees (including appraisal fees));

- expenses related to any credit facility, guarantee, letter of credit or similar credit support or one or more other similar financing transactions involving an investment or prospective investment of the Fund;
 - costs of attending conferences (including travel) in connection with the evaluation of future investments of the Fund or business sector opportunities (including the evaluation of potential investments);
 - costs associated with holding, maintaining, carrying and disposing of investments of the Fund and all third-party expenses in connection therewith (including, without limitation, expenses related to proxies, specialist expenses, costs of asset management, land lease, environmental mitigation, permitting, licensing and other enumerated maintenance costs, the cost of obtaining third-party asset managers, travel and entertainment relating to meetings with such asset managers, custodial fees, trustee expenses, recordkeeping and other administration fees and other execution, transaction, asset management, back office and administrative expenses of the internal staff of our firm or our affiliates, to the extent approved by the Fund's advisory committee);
 - any travel-related expenses related to or arising from the research, evaluation, acquisition, consummation, ownership, maintenance, monitoring or disposition of investments or prospective investments of the Fund;
 - trade errors that are not the result of our firm's actual fraud, gross negligence or willful misconduct; and
 - consulting and professional fees (including legal, accounting, consulting or other similar service provider expenses) relating to particular investments or prospective investments of the Fund;
- all expenses related to our firm's initial and ongoing registration with the SEC (including preparation costs of initial and annual filings of the Form ADV, maintenance of a compliance manual and the costs of a compliance consultant);
 - consulting and risk management costs and expenses;
 - all legal, internal and external accounting, auditing and tax preparation, compliance (including the cost of a third-party compliance consultant) and administration expenses;
 - insurance premiums or expenses incurred by the Fund in connection with the activities of the Fund, including errors and omissions, fidelity, crime,

general partner liability, directors' and officers' liability and similar coverage for any person acting on behalf of the Fund or any protected person, as well as the Fund's allocable portion of any group insurance policy of a similar type taken out by the General Partner or our firm;

- the costs and expenses of any litigation or governmental inquiry, investigation or proceeding involving the Fund and the amount of any judgments, fines or settlements paid in connection therewith, relating to the business, activities and interests of the Fund;
- internal and external expenses associated with maintaining the books and records of the Fund and the preparation or distribution of the Fund's financial statements, tax returns and Schedule K-1s, or any other administrative, regulatory or other Fund-related reporting or filing;
- taxes, fees and other governmental levies (provided that any withholding advances may be paid by the Fund pursuant to the Fund's governing documents, but will be treated as distributed to any applicable investors);
- any withholding advances (except to the extent that the Fund is reimbursed therefor, or such withholding advance is treated as having been distributed to the investors);
- expenses in connection with the offer and sale of limited partner interests in the Fund;
- all expenses (including legal fees and expenses) incurred to comply with any law or regulation related to the activities of the Fund or incurred in connection with any regulatory filings by our firm (including costs of preparing such filings);
- costs and expenses that are classified as extraordinary expenses under U.S. generally accepted accounting principles;
- all out-of-pocket fees and expenses incurred by the Fund, the General Partner, our firm, our respective affiliates, and the respective principals, officers, directors, members, stockholders and employees of each of the foregoing in connection with any conference or meeting with any limited partner(s) of the Fund or in connection with the meetings or proceedings of the Fund's advisory committee (including compensation of any independent members thereof that are not affiliated with our firm or any partner of the Fund);
- any and all expenses incurred in connection with the dissolution, winding up or termination of the Fund;

- costs (including interest) related to any borrowings or indebtedness of the Fund;
- any and all expenses incurred in connection with the formation and operation of any alternative investment vehicles and affiliated liquidating vehicles of the Fund;
- any and all expenses incurred in connection with any amendments, modifications, revisions or restatements to the constituent documents of the Fund, any alternative investment vehicles or affiliated liquidating vehicles of the Fund;
- any and all expenses incurred in connection with any valuation of the assets of the Fund, including the fees of any third-party valuation experts;
- any and all expenses related to the Fund's indemnification obligations pursuant to the limited partnership agreement of the Fund, as amended from time to time; and
- subject to the Fund's governing documents, all amounts paid in connection with the termination, cancellation or abandonment of a potential investment of the Fund that is not consummated (including expenses from any legal, financial, accounting or consulting services or any lenders, investment bankers and other financial sources).

The list of fees and expenses we have enumerated above does not necessarily contemplate every type of fee or expense the Fund may incur.

If we advise more than one client in the future and we determine that expenses were incurred for the benefit of more than one of our clients, we will allocate the expenses among such clients in an equitable manner, as determined by our firm, which may be based *pro rata* on such clients' total assets or committed assets or based *pro rata* on the amount invested in an investment by each such client. If we incur expenses in connection with an investment opportunity that we decide not to pursue and, at such time, we are advising more than one client that would have participated in such opportunity, such broken deal expenses will be charged to each such client that would have taken part in the deal and allocated as set forth immediately below, unless a third party is contractually obligated to reimburse us for the expenses. We will use reasonable efforts to have prospective co-investors bear their *pro rata* share of these broken deal expenses based on their respective percentages of committed capital or capital proposed to be committed, as applicable, to a prospective investment. However, absent a specific agreement or understanding with any applicable co-investors, broken deal expenses will generally be allocated entirely to the applicable client or clients that were pursuing the broken deal and not to any co-investors that had planned on participating in the broken deal.

Neither our firm nor any of our principals or employees accepts compensation for the sale of securities or other investment products.

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

We will receive performance-based compensation as we mention above in “*Item 5. Fees and Compensation*” from the Fund. We do not currently manage any client accounts that do not pay performance-based compensation.

Item 7. Types of Clients

Our firm provides investment advisory services to one pooled investment vehicle (the Fund), which is a private investment fund. To comply with SEC regulations, we require that U.S. investors in the Fund qualify as both accredited investors and qualified purchasers. Accredited investors are generally (i) individuals with \$1,000,000 of net worth (excluding their primary residence) or who have made \$200,000 in each of the two previous years (or \$300,000 joint income with one’s spouse) or (ii) entities with assets totaling over \$5,000,000. Qualified purchasers are generally individual investors or certain family-owned entities with over \$5,000,000 in investments or entities with over \$25,000,000 in investments. Non-U.S. investors in the Fund are not subject to any particular wealth requirements.

The Fund is accepting capital commitments and will then draw down increments of capital from the committed investors over a specified period of time. The Fund generally requires a minimum capital commitment from investors of \$5,000,000, although we may accept capital commitments of lesser amounts.

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

Methods of Analysis and Investment Strategies:

Our investment objective is to generate attractive risk-adjusted returns by making renewable energy-related investments in assets, projects or companies as well as a limited amount of equities, stocks, bonds, futures or other financial instruments for hedging or cash management purposes. Our principals and employees use their experience and relationships in the renewable energy power generation and services investment sector to source potential investments. In order to secure investments in facilities, the Fund may invest in securities issued by development companies, which may be owned and controlled by our principal owners and/or other of our employees, so long as such investments contain affirmative rights to invest directly in the facilities, including, but not limited to, purchasing options, conversion or exchange into direct investments. We

generally look for medium-sized renewable energy power generation facilities that employ a variety of technologies, are in operation or may be in the development and construction phase. We may acquire equity, preferred equity, convertible and subordinated debt or make other equity-related investments in such facilities. We also look to invest in operating renewable services companies, including engineering, procurement and construction; operations and maintenance; or energy efficiency companies or providers of other renewable energy services such as project development, construction, asset management, monitoring, optimization and verification. Once we identify a potential investment, we consider if the investment fits within our other investment parameters based on whether revenue projections are supported by contracts with creditworthy counterparties; whether revenue can be hedged; the nature of the competitive landscape and market environment; relevant technical, commercial and legal matters; whether the asset is operational, development-stage, greenfield, etc.; for projects in development, the key gating items to commencing construction and the impediments and risks associated with moving the project to construction stage; for projects under construction or that are otherwise non-operational, the key gating items to becoming operational or contracted, as well as the related impediments and risks; ancillary strategic benefits; quality and duration of underlying cash flow profile; re-contracting risks and upside for any contracts that expire during the applicable revenue period projection; feasibility and risks associated with the projected operating expenditures and capital expenditures related to the investment; asset-backed and supported by partial or full asset coverage; risk/return profile; preliminary assessment of potential capital structure and impact on investment returns; probability of success and estimated magnitude of development / pursuit costs; quality of existing management teams; and ability to implement operational improvements and enhance asset value.

If an investment falls within the investment parameters and satisfies any other criteria we deem appropriate, we engage in due diligence of the investment by undertaking a risk assessment (including a commercial, technical, legal and financial review), evaluating contracts and counterparties, conducting a comprehensive financial analysis and review of the capital structure, determining investment terms and pricing, visiting the physical location of the investment, meeting with the seller's team and/or third party service providers, evaluating the competitive landscape and market environment and the nature and structure of applicable regulatory frameworks, seeking a legal diligence memorandum from outside counsel, obtaining written technical or other reports from outside experts, generating market demand studies and forecasts, evaluating supply-side elements of investment opportunities, considering development, operational and regulatory elements to identify gaps or issues in contractual arrangements with partners, constructors, operators and public authorities and to ensure that material risks are mitigated to the greatest extent possible, and determining if adequate management resources are available with the requisite skills and

experience to manage day-to-day operations, achieve performance expectations and aptly execute on established business plans.

Once we have completed our due diligence process, we assess the value of the investment and engage in price negotiation. The Fund's investment committee then reviews and considers the potential investment. The investment committee of the Fund consists of both of the principal owners and the president of our firm and may include additional key employees in the future. Final selection of an investment requires the approval of the Fund's investment committee.

Despite our methodology, investing in any securities involves a risk of loss that the Fund and its investors must be prepared to bear.

Summary of Some Material Risks:

The success of our investment activities depends on our ability to identify and capitalize on successful types of renewable energy produced at renewable energy generation facilities that will thrive in the relevant regulatory and market environments, as well as identify renewable service providers that are positioned to capitalize on opportunities provided by the accelerating decarbonization of energy production. We cannot assure the Fund or its investors that we will be able to locate investment opportunities or correctly identify upcoming successful types of renewable energy and lucrative projects and service companies. The following explanation of certain risks is not exhaustive, but rather highlights some of the more significant risks involved in our investment strategy. For a complete explanation of the investment strategy and its associated risks, investors in the Fund should also review the relevant private placement memorandum of the Fund, which may contain additional explanations of the strategy, risks and other related details that we do not discuss below. The following is a discussion of the risks specific to investment in renewable energy and transportation assets:

- *Investing in Renewable Energy Projects.* Investments in renewable energy projects and developers are subject to various risks, including, but not limited to: (i) adverse changes in national and international economic and geopolitical conditions; (ii) local market conditions; (iii) regional weather and climate conditions; (iv) changes in local, state and federal policy incentives; (v) increases in the availability of supply of energy relative to demand; (vi) changes in availability of financing; (vii) increases in interest rates; (viii) risks due to dependence on cash flow; (ix) acts of God; and (x) uninsurable losses and other factors that are beyond our control.
- *Operational Risks Inherent in Renewable Energy Projects.* The renewable energy industry is a relatively young industry and continues to experience a rapid evolution in the areas of equipment design and manufacturing, construction methods, resource evaluation, grid integration and interconnection, operation and maintenance and a number of other areas.

While improvements in these areas have generally helped to reduce the cost of renewable energy and have made renewable energy more attractive to energy purchasers at both the wholesale and retail level, a number of areas of risk continue to exist in the operation of projects based on wind, biomass, biogas, solar and geothermal resources that can impact the profitability of our investments for the Fund. These risks include:

- *Resource and Feedstock Issues.* In the case of renewable gas, biomass and anaerobic digestion projects, the source of the feedstock is typically local farms or dairies, landfills or other sources of organic or other waste material. Typically, these facilities rely on third parties to source and provide these feedstocks, and the facility's production will likely rely significantly on the quality and consistency of the feedstock supply. Typically, the third parties are not high-quality creditors, creating the risk that their financial difficulties could interrupt the facility's feedstock source. Other energy projects derive their power from natural resources that are subject to variation in quality, quantity and consistency over time. Projects specializing in hydroelectric power may be subject to variations in precipitation and the flow of the watersheds upon which their power plants are situated. An extended drought in a region where one such project operates could reduce the operating effectiveness of the project and its assets. Likewise, companies focused on wind and solar energy also are subject to variations in weather patterns. Wind projects are susceptible to the loss of resource due to another wind project being built upwind of the project. Companies focused on biomass rely on the production of crops, which can be adversely affected by droughts and other weather conditions. The actual amount of wind, solar radiation or geothermal resource at a particular project site may vary substantially from the anticipated amount of such resource at the time the investment was made. Weather-related risks are hedged to the extent possible through data collection and analysis prior to investment, diversification across the Fund's portfolio and in some cases the use of weather derivatives. However, differences in weather from the predicted conditions may result from errors in reporting data; incomplete or inaccurate reports; in the case of wind or solar projects, weather cycles, changes in weather patterns, global climate change or unusual weather patterns during the period of the investment; and in the case of geothermal projects, tectonic plate movement, drought or other changes in the water table or magma heat source. If there is a variation from the anticipated amount of the resource in any period, the revenues from the project may be inadequate to pay operational costs or to produce profits for the Fund.
- *Equipment and Technology.* The digesters, compression systems, wind turbines, solar panels, solar trackers and other equipment used in renewable energy projects are still evolving and, as a result, much of

the equipment being used has not undergone extensive field testing over a period of years to determine its long-term costs of operation or its durability. Manufacturing and delivery of the equipment, as well as its timely installation, may also be difficult due to rapidly changing product designs and general manufacturing issues. Also, as with any equipment purchase, the purchaser is subject to the risk that the equipment, software or processes may be protected intellectual property of third parties, which may subject the project owner to the risk of being unable to use the equipment, as well as damages for its prior use. Each of these risks could result in late delivery or project underperformance. If the project is not delivered on time, at required productivity and capacity levels, not only will there be a drop in revenues, but power purchase agreement or financing commitments may not be met, leading to project failure. To protect against these risks, equipment suppliers or the balance of plant contractors typically provide a guaranty of timely completion and a two to ten-year (sometimes longer) equipment performance warranty. These warranties typically protect project owners against equipment capacity and efficiency shortfalls while they are effective. In most cases, however, the investment period in a project will extend beyond the warranty period. Furthermore, some equipment manufacturers or contractors may not be sufficiently capitalized to enable them to respond to all customer claims, especially serial defect warranty claims. As competition among equipment suppliers continues to drive down the cost of some wind turbines and solar panels, there is a risk that some equipment manufacturers may be unable to honor their warranty claims. In the context of financing, projects are typically exposed to vendor credit, as a credit event around a key vendor is often a financing event of default. A defect in vendor credit may also lead to a violation of financing. In the event of a failure of any equipment after the end of the warranty period (or during the warranty period if the supplier or contractor does not have the ability to respond), the project owner may incur significant costs to keep the project operational or lose the project.

- *Transmission and Interconnection.* Since many offtake agreements for renewable energy power or renewable gas only pay for electricity or gas that is delivered to the utility or other offtaker, any interruption in pipeline or transmission service or curtailment could cause the project owner to be unable to deliver or receive payment for the power the project could otherwise produce. In addition, some agreements allow for curtailment of the project output if the pipeline or transmission facilities are unable to transmit or transport all of the power or gas being produced in an area or a region or if the power or gas is not needed or is more expensive in relation to other sources of generation. Any interruption in pipeline or transmission service or curtailment could

negatively impact the investment's ability to pay operating costs or the projected returns of the Fund.

- *Power Purchase Agreements and Offtake Arrangements.* We, on behalf of the Fund, may invest in renewable power projects that sell power or gas pursuant to power purchase agreements, offtake arrangements, merchant power or gas sales supported by hedging arrangements and merchant power or gas sales unsupported by hedging arrangements. Power purchase agreements and hedging arrangements rely upon the creditworthiness and the ability to pay of the offtaker or the hedge provider. There is a risk that these offtakers or hedge providers will default under their contracts. We cannot provide assurance that one or more of such customers will not default on their obligations or that such defaults will not have a material and adverse effect on the project's operations, financial position, future results of operations or future cash flows. Furthermore, the bankruptcy, insolvency or other liquidity constraints of one or more customers may reduce the likelihood of collecting defaulted obligations. Some projects rely on one customer for their revenue and thus the project could be materially and adversely affected by any material change in the financial condition of that customer. While there may be alternative customers for such a project, there can be no assurance that a new contract on the same terms will be negotiated for the project. Certain of the projects with contractually-committed revenues under a small number of long-term contracts will be subject to re-contracting risk in the future. There is no assurance that such contracts may be renegotiated once their terms expire on equally favorable terms or at all. Furthermore, as to any portion of the energy produced by the project that is not supported by a power purchase agreement or a hedge, there is a risk that the market price that can be obtained for the power at any time may drop to a level that will not support the operation of the project.
- *Regulatory Risk.* Much of the value of renewable energy projects depends on state and federal policy mechanisms to provide financial incentives in the form of tax credits, accelerated depreciation, renewable energy certificates and other incentives. These credits could include those offered under the California Low Carbon Fuel Standard (LCFS) program, the California Renewable Portfolio Standard (RPS) program, the federal Renewable Identification Number (RINs) or Renewable Volume Obligation (RVO) programs and the Solar Renewable Energy Credit (SREC) programs offered by various states. The market for renewable energy projects fluctuates with the availability of these governmental incentives. Although we will typically endeavor to hedge the risks associated with expiration of these programs, these hedging programs may not be available on attractive terms, or at all. As a result, the Fund's return from some of its investments may fluctuate depending on continued

government support for these or similar programs. Furthermore, as a result of the Fund's focus on renewable energy, demand for renewable energy projects generally, and the performance of the Fund as a whole, depends in part on the continued availability of and support for governmental incentives. The performance of investments, therefore, is subject to policy risk in that the expiration or amendment of policy mechanisms may adversely impact the profitability of renewable energy projects.

- *Expiration of Tax Credits.* In the United States, renewable energy projects compete with conventional power projects fueled by coal, natural gas, hydro power and nuclear power, in part, by receiving either an Investment Tax Credit ("ITC") for solar projects equal to 30% of most of the project costs or a Production Tax Credit ("PTC") for wind projects that is currently equal to \$24 per megawatt hour (the PTC is adjusted annually for inflation) of energy produced for the first 10 years after the project is placed in service and certain other federal and state incentives. While these programs have been in effect for a long period of time and have been renewed periodically, the 30% ITC will only apply to solar projects that commence construction by December 2019, and the ITC will fall to 26% for solar projects that commence construction in 2020 and fall further to 22% for solar projects that commence construction in 2021. To qualify for an ITC above 10%, such projects must also be placed in service by the end of 2023. The ITC will be 10% for any solar projects begun after 2021. In addition, the full value of the per megawatt hour PTC for wind energy projects is not available for projects that did not commence construction by December 31, 2016. Wind energy projects that commence construction in 2017, 2018 and 2019 will qualify for PTCs at 80%, 60% and 40% of the applicable annual rate, respectively. While these laws may be renewed or extended, Congress may not act to do so. This uncertainty has tended to limit some development in both wind and large-scale photovoltaic solar and solar thermal projects, as well as domestic manufacturing in those industries and may increase the cost or reduce the number of wind and solar projects in the future.
- *Investing in Renewable Service Providers.* Investments in renewable service providers are subject to various risks, including:
 - *The Renewable Services Provider is unable to attract and retain key employees;*
 - *The market for the products and services of the Renewable Services Providers do not develop in the manner the Investment Manager expects;*
 - *The Renewable Services Providers costs are higher than the Investment Manager expects;*

- *Regulatory, legal or technological changes make the products or services of the Renewable Services less valuable or more expensive to provide;*
 - *The Renewable Services Provider fails to operate its business in compliance with applicable law or becomes subject to litigation that is costly and distracting; and*
 - *The Renewable Services Provider may be required to provide warranties or completion guarantees on its products or services that result in unexpected costs.*
- *High Capital Costs for Certain Renewable and Alternative Energy Investments.* Renewable and alternative energy projects typically involve relatively high levels of capital investment, and such up-front expenditures involve a certain degree of risk. Furthermore, most renewable energy projects rely upon federal tax incentives which are typically monetized by transferring such tax credits and other incentives to institutional investors with taxable income and who are interested in investing in renewable and other alternative energy projects. The number of these tax-motivated investors is finite and will limit the growth of the renewable energy industry in the United States as long as the current tax incentive programs remain in effect. Many of the projects comprising investments made on behalf of the Fund will also require substantial ongoing expenditure for, among other things, additions and improvements, and maintenance and repair of plant and equipment related to project operations. Any failure to make necessary operating or capital expenditures could adversely impact project performance.
 - *Electrical, Mechanical and Combustion Risks.* Solar power and combined heat and power generation systems have certain risks associated with the fuel used to power systems, the mechanical processes used to convert the power and the high voltage electrical delivery process. All design components could result in damage, destruction, injury and loss of life if a material or a catastrophic event occurred. These events could include, but are not limited to, gas leaks, explosions, fast-moving and flying debris and components and high voltage shock. Although all required engineering and permitting standards are met and insurance is also secured to limit financial impacts from damages or losses, there can be no assurances and any failure may result in material economic losses to the Fund and claims against us and the Fund from injured parties.
 - *Operation and Maintenance Risk.* The ability of a renewable energy project to operate successfully depends on quality operation and maintenance services. These services are typically contracted for between 2 and 5 years at the outset of a project. Markets have been generally comfortable enough with the general availability of these

services in the market, such that long-term operation commitments have not been required to date. Still, where a project has specialized technology, or will operate in a remote location, there can be shortages of skilled and trained workers to adequately service the project at a feasible cost. Additionally, over the period of a project financing, the availability and cost of spare parts can vary. The more specialized the project's technology is, the more difficult it could become to identify spares at a reasonable cost. Labor shortages, shortages of spare parts and limitations on transportation can all impact the success of a project.

The following is a description of some, but not all, important risks associated with the types of investments that our firm makes in renewable energy generation facilities (investors should refer to the Fund's private placement memorandum for additional risks):

- *Risk of Private Equity and Debt Investments.* Private investments involve a high degree of financial risk. Investments made by us on behalf of the Fund may not be profitable and substantial losses may occur. We expect to purchase or otherwise acquire on behalf of the Fund common stock, preferred stock and other equity securities. Although equity investments have historically generated higher average total returns than fixed-income securities over the long term, equity investments also have experienced significantly more volatility in those returns, and in some time periods have significantly underperformed, relative to fixed-income securities. The equity investments that we acquire on behalf of the Fund may fail to appreciate in value and may decline in value or become worthless. Accordingly, the Fund may not be able to realize gains from such equity investments and may incur significant losses. Our debt investments on behalf of the Fund may not be repaid by the borrower, and we may not be able to sell or otherwise liquidate investments on behalf of the Fund at the optimal time, price or at all. Therefore, we may not realize our investment objectives, and there may not be a return of or a return on capital.
- *Subordinated Debt Risk.* We may, on behalf of the Fund, invest in a variety of debt instruments that capture particular layers of an issuer's credit structure, such as "last out" or "second lien" debt, or other subordinated investments that rank below other obligations of the borrower in right of payment. Subordinated investments are subject to greater risk of loss than senior investments as a result of adverse changes in the financial condition of the borrower or in general economic conditions. Subordinated investments may expose us to particular risks in a distress situation, such as the risk that the interests of creditors are not aligned. Holders of subordinated investments generally have less ability to affect the results of a distressed situation than holders of more senior investments.

- *Convertible Securities.* We may, on behalf of the Fund, invest in convertible securities, including convertible bonds, convertible preferred stocks and other fixed-income instruments that have conversion features. Convertible securities and preferred stock combine the fixed income characteristics of bonds with some of the potential for capital appreciation of equities, and thus, may be subject to greater risk than pure fixed-income instruments. Unlike bonds, some preferred stocks and some convertible securities do not have a fixed par value at maturity, and in this respect, may be considered riskier than bonds.

Convertible debt securities and preferred stocks may depreciate in value if the market value of the underlying equity security declines or if rates of interest increase. In addition, although debt securities are liabilities of a corporation which the corporation is generally obligated to repay at a specified time, debt securities, particularly convertible debt securities, are often subordinated to the claims of some or all of the other creditors of the corporation.

- *Uncovered Risks and Losses from Hedging.* We may, on occasion, employ hedging techniques to reduce the risk of highly speculative investments, but to the extent that we engage in hedging, we expect it to make up a small portion of the Fund's investment activity. There remains a substantial risk, however, that hedging techniques may not always be possible or effective in limiting losses. In fact, a hedge may produce a net loss. Hedges are more difficult to implement than many other transactions and possibilities for errors may be greater than for other transactions. Our trading techniques may not be successful and may thereby cause the Fund to incur losses on the positions that we initiate.
- *Foreign Currencies and Investments.* We may make smaller investments in foreign issuers. Investing in foreign issuers involves certain considerations comprising both risks and opportunities not typically associated with investing in United States issuers. These considerations include changes in exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the United States, higher transaction costs, less government supervision of exchanges, brokers and issuers, less developed bankruptcy laws, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

Although most of our investments on behalf of the Fund will be U.S.-dollar denominated, any investments that are denominated in a foreign currency are subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies,

long-term opportunities for investment and capital appreciation and political developments. We intend, but are under no obligation, to employ hedging techniques to minimize these risks, but there can be no assurance that such strategies will be effective.

Item 9. Disciplinary Information

Neither our firm, nor any of our directors, officers or principals has been involved in any investment-related criminal or civil actions in a domestic, foreign or military court that would be material to an evaluation of our firm's advisory business or the integrity of our firm's management.

Neither our firm, nor any of our directors, officers or principals has been involved in any administrative proceedings before the SEC, any other federal regulatory agency, any state regulatory agency or any foreign financial regulatory authority that would be material to an evaluation of our firm's advisory business or the integrity of our firm's management.

Neither our firm, nor any of our directors, officers or principals has been involved in any self-regulatory organization proceedings that would be material to an evaluation of our firm's advisory business or the integrity of our firm's management.

Item 10. Other Financial Industry Activities and Affiliations

Neither our firm, nor any of our directors, officers or principals is registered as a broker-dealer or a representative of a broker-dealer or has an application pending to register as a broker-dealer or a registered representative of a broker-dealer.

Neither our firm, nor any of our directors, officers or principals is registered as a futures commission merchant or an associated person of a futures commission merchant or has an application pending to register as a futures commission merchant or an associated person of a futures commission merchant.

None of our directors, officers or principals is registered as, has an application pending to register as or is an associated person of a commodity pool operator or a commodity trading advisor.

The General Partner, an affiliate of our firm, serves as the general partner of the Fund, our client. Although this arrangement may give us heightened control and discretion over the Fund, we manage any potential conflicts of interest by disclosing the relationship between our firm and the General Partner to the Fund's investors and adhering to the Fund's investment strategy, which we

describe in this Brochure and is also set forth in the Fund's private placement memorandum.

We do not recommend or select other investment advisers for the Fund.

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

As an investment adviser, we stand in a position of trust and confidence with respect to the Fund. At all times, we and our personnel must comply with the spirit and the letter of the federal securities laws and the rules governing the capital markets. We expect our directors, officers and employees to act with competence, dignity, integrity and in an ethical manner when dealing with the Fund, the public, prospects, third-party service providers and fellow directors, officers and employees and to adhere to the highest standards with respect to any potential conflicts of interest with the Fund.

To comply with our fiduciary duties and legal obligations, our Code of Ethics contains policies (i) requiring our personnel to provide periodic reports of transactions and holdings of Reportable Securities¹ in their personal accounts, (ii) maintaining a "No-Trade List" that contains the names of companies for which we have determined to restrict trading activity by our personnel, typically because our personnel have come into contact with material non-public information with respect to such companies, (iii) mandating the pre-clearance of all personal transactions in initial public offerings, private placements and Reportable Securities, including transactions that involve any issuer that primarily operates in the renewable energy industry, and (iv) requiring the reporting of violations and disciplinary action. Our internal compliance manual also includes policies regarding gifts and entertainment, political and charitable contributions and outside business activities. We will provide a copy of our Code of Ethics to any client, investor in a client, prospective client or prospective investor upon request.

If in the future our firm advises multiple clients, our firm may occasionally, under exceptional circumstances, allow one of our clients to purchase an investment from another client, otherwise known as a "cross trade." To the extent that our firm allows a cross trade, we will only allow such transaction to the extent

¹ "Securities" means stocks, bonds, certificates of deposit, options, interests in private placements, futures contracts on other securities, participations in profit-sharing agreements, and interests in oil, gas, or other mineral royalties or leases, among other things, including any instrument commonly known as a security. However, the term "Securities" does not include direct obligations of the government of the United States; bankers' acceptances, bank certificates of deposit, commercial paper and high-quality short-term debt instruments, including repurchase agreements; shares issued by money market funds; shares issued by open-end investment companies registered in the U.S., other than funds advised or underwritten by our firm or one of our affiliates; interests in 529 college savings plans; and shares issued by unit investment trusts that are invested exclusively in one or more open-end registered investment companies, none of which are advised or underwritten by our firm or one of our affiliates.

permitted by the offering documents of our clients and approved by our clients' investor advisory committees prior to such transaction. Cross trades may create conflicts of interest because they are not independently negotiated, but the requirement that we obtain pre-approval from our clients' investor advisory committees should mitigate any unfairness created by related negotiating parties.

Except as set forth herein, our firm does not contemplate acquiring an interest on behalf of the Fund in any investments in which an employee also possesses a direct economic interest. In addition, one or more of our principal owners or employees may establish a development company to hold and develop assets that may be purchased by our firm on behalf of the Fund. These transactions may create a conflict of interest because the employee with the interest in the investment will receive an economic benefit from both sides of the transaction, which may incentivize him/her to effect the transaction, even if it is not in the best interest of the Fund. To the extent we engage in such transactions in the future, our firm expects to mitigate this conflict by preventing any of our personnel from recommending any transaction for the Fund without first disclosing his/her interest in the transaction to the investment committee of the Fund, and the investment committee will seek the approval of the Fund's investor advisory committee, if such an interest exists and represents a potential conflict of interest. The interested employee will disclose, for example, any direct or indirect beneficial interest of any securities of such issuer; any contemplated transaction by such employee in such securities; any position that such employee has with the issuer of the securities or its affiliates; and any present or proposed business relationship between the issuer of the securities or its affiliates and such employee or any entity in which such employee has a significant interest.

Our personnel may invest their personal funds in the Fund or make co-investments in parallel with the Fund and, therefore, they may hold interests in (directly or indirectly) the same securities or other investments as the Fund. Any co-investments that our employees make must be pre-cleared by our chief compliance officer. If our employees buy or sell these securities or other investments for their personal accounts, a conflict of interest may arise if our employees receive more favorable prices than does the Fund because our employees' transactions might have driven up the market prices of the target securities or other investments. As described above and further in our Code of Ethics, we have established procedures designed to limit conflicts of interest in cases where our employees may buy or sell, for themselves, securities that we recommend to the Fund.

Item 12. Brokerage Practices

As we mention in "*Item 4. Advisory Business*", our firm mostly invests in renewable energy infrastructure and services providers. However, although we have not yet engaged a broker-dealer, our firm expects to utilize brokers and

dealers in the future to execute, settle and clear securities transactions in equities, stocks, bonds, futures or other financial instruments made for hedging purposes. As part of our fiduciary duty to the Fund, our firm has an obligation to seek best price and execution of Fund transactions when our firm is in a position to direct transactions. In choosing a broker in the future, we will consider the totality of circumstances including, without limitation, the broker-dealer's research capabilities and the success of prior research recommendations, ability to efficiently execute difficult trades (such as those in illiquid markets or trades of substantial size), the broker's risk in positioning a block of securities, commitment of capital, access to new issues, nature and frequency of sales coverage, depth of services provided, including economic or political coverage, arbitrage and option operations, back office and processing capabilities, financial strength, stability and responsibility, efficiency, reputation, access to markets, confidentiality, commission rate, responsiveness to our firm and the value of research and brokerage and research products and services provided by such brokers.

In the future, broker-dealers may provide research to our firm that may include written or oral proprietary research. Broker-dealers may also provide us with research products that include software and related support services for use in research and trading, quotation boards, computer databases and quotation equipment, in each case to access research or which provide research directly. Research services may include, among other things, research concerning market, economic and financial data, statistical information, data on pricing and availability of securities, financial publications, attendance at conferences and meetings, electronic market quotations, performance measurement services, analyses and/or due diligence concerning specific securities, companies or sectors, including due diligence on specific aspects of a company's operations or finances, analyses on issues raised in proxy statements and market, economic and financial studies and forecasts. Research services may be in written or oral form or online and may be produced by broker-dealers or third parties such as attorneys, accountants or consultants. Brokerage products and services may include certain order management system components and order routing.

Although the Fund is currently our only client, in the event that we manage other accounts or collective investment vehicles in the future, we may use research and brokerage products and services in servicing some or all of our clients. In addition, we may not use some research and brokerage in servicing the clients whose commission dollars provided for the research or brokerage. Clients may not, in any particular instance, be the direct or indirect beneficiaries of the research or brokerage provided. Certain clients, who are the beneficiaries of research or brokerage, may have an investment style which results in the generation of a small amount of brokerage commissions due to a lack of active trading for their accounts. As a result, clients who generate sizeable commissions subsidize research or brokerage provided to clients whose accounts generate minimal brokerage commissions since the commission dollars

generated by transactions for such clients are not sufficient to pay for research or brokerage that may be received by such clients from other brokers.

Using client transactions to obtain research and other benefits creates incentives that result in conflicts of interest between advisers and their clients. If we use client brokerage commissions to obtain research products and other services from broker-dealers, our firm will receive a benefit because we will not have to produce or pay for such research products and other services out of our own pocket. To the extent that we acquire these products and services without expending our own resources, any use of soft dollar benefits may increase our profitability. The availability of these benefits may influence us to select one broker-dealer rather than another to perform services for the Fund, based on our interest in receiving the products and services instead of on the Fund's interest in receiving the best execution prices. Obtaining these benefits may cause the Fund to pay higher fees than those charged by other broker-dealers.

As our sole client is a private investment fund that we manage, we will select all broker-dealers for the Fund's securities transactions. In addition, because we only have one client, the Fund, we are not faced with trade aggregation issues.

Item 13. Review of Accounts

Shane Starr and Matthew Brown, the principal owners of our firm, in their capacity as managers of the general partner of the General Partner, review Fund and investor accounts (i) on a quarterly basis in connection with their review of the unaudited account statements prepared by a third party administrator and distributed to the investors of the Fund and (ii) on an annual basis in connection with the preparation of annual audited financial statements of the Fund by a third party auditor. In addition, our principals and other investment professionals routinely monitor the Fund's portfolio investments. Our firm may engage asset managers that take an active asset management approach centered on the implementation of business plans consistent with original investment cases, the transaction risk mitigation matrix, best practices and operational improvement to optimize value creation for the Fund. Our investment professionals will generally meet with asset managers on a monthly basis. Further, our investment professionals generally meet informally with one another on a weekly basis to discuss the Fund's investments, potential investment acquisition, financing, follow-on and disposition opportunities, among other important matters. Compliance with applicable investment guidelines and restrictions, including those set forth in relevant client offering documents, are also reviewed periodically during these informal meetings.

Investors in the Fund receive written quarterly status reports of recent activities of the Fund in which they have invested and an update of such investor's capital account and a written annual audited report and summary update of investments.

We typically deliver these reports to investors electronically through a secure web portal unless an investor requests otherwise.

Item 14. Client Referrals and Other Compensation

Neither our firm, nor any of our principals or employees receives any economic benefit from non-clients for providing advisory services to the Fund.

Currently, neither our firm, nor any of our principals or employees, directly or indirectly, compensates any person who is not a principal or employee for client or investor referrals. However, to the extent our firm engages any placement agents in the future, the Fund will bear any fees payable to such placement agents up to an amount equal to ten percent (10%) of the aggregate capital commitments made to the Fund, and our firm will bear any fees in excess of such amount.

Item 15. Custody

While it is our firm's general practice not to accept or maintain physical possession of the Fund's assets, we are deemed to have custody of its assets under Rule 206(4)-2 of the Investment Advisers Act of 1940, as amended, because our affiliate serves as the general partner of a private investment fund.

We maintain in safe keeping any copies of legal documents supporting ownership of any investments that constitute "privately offered securities" in a manner that complies with the Investment Manager Guidance Update promulgated by the SEC in August 2013. We also utilize the services of a qualified custodian (as defined under Rule 206(4)-2) to hold any certificated securities that do not qualify as "privately offered securities" for the Fund. We strive to ensure that the qualified custodian maintains these funds in accounts that contain only the Fund's funds and securities. In accordance with Rule 206(4)-2, we also (1) engage an outside auditor to audit the Fund at the end of each fiscal year and (2) distribute the results of the audit in audited financial statements that are prepared in accordance with generally accepted accounting principles to all investors in the Fund within 120 days after the end of the fiscal year. We receive quarterly account statements from the qualified custodian on behalf of the Fund, which we compare with our own records.

Item 16. Investment Discretion

Scope of Authority

Our firm accepts discretionary authority to manage the Fund's investment accounts. Essentially, this means that we have the authority to determine, without obtaining specific client consent, the assets to purchase and the price at

which to purchase the assets, when to acquire or dispose of investments and how to manage those investments while the Fund holds them. Despite this broad authority, we are committed to adhering to the investment strategy and program set forth in the Fund's private placement memorandum. Furthermore, our discretion is limited by applicable securities laws and tax laws, as well as our internal compliance policies.

Procedures for Assuming Authority

Before accepting their subscriptions for interests, we provide all investors in the Fund with the Fund's private placement memorandum that sets forth, in detail, our investment strategy and program and the terms of investment for investors. By completing our subscription documents to acquire an interest in the Fund, investors give us complete authority to manage their investments in accordance with the private placement memorandum and governing documents they each received.

In addition, under the investment management agreement with the Fund, the Fund has granted our firm full power of attorney over its assets, which gives us the right to pursue its investment program at our full discretion and all rights, privileges and powers of ownership with respect to its assets.

Item 17. Voting Client Securities

Our firm has authority to vote the Fund's securities. Although our firm typically invests in private assets that do not issue proxies, we may occasionally receive the equivalent of a proxy, including amendment and consent requests, particularly in joint venture or co-investment situations, and receive proxies in connection with any publicly-traded portfolio assets. To the extent that we invest in entities that issue proxies, our firm believes that proxies are assets of our clients that must be voted with diligence, care and loyalty.

When applicable, we will vote each proxy in accordance with our fiduciary duty to our clients. We will generally seek to vote proxies in a way that maximizes the value of our clients' assets. All proxies shall be reviewed by the investment committee of the relevant client, including proxies for which we may abstain, and related voting decisions require unanimous approval the investment committee. Our chief compliance officer coordinates our proxy voting process.

The Fund, and investors in the Fund, cannot direct our portfolio managers' proxy votes.

If there are any potential conflicts of interest in connection with voting a client proxy, our firm may engage outside legal counsel and/or each client's investor advisory committee made up of investor representatives to review and make a recommendation with respect to such conflict of interest. Our chief compliance officer must document the recommendation made by outside counsel and/or the

Fund's investor advisory committee, ensure that our firm votes the relevant proxy in accordance with such recommendation and preserve the documentation in accordance with our books and records policies.

The Fund, or investors in the Fund, may obtain information about how we voted proxies with respect to the Fund's securities and/or a copy of our proxy voting policies and procedures by contacting our chief compliance officer at the telephone number on the cover of this Brochure.

Although we do not expect class actions to arise with respect to our investments given our firm's investment strategies and activities, we do not direct the Fund's participation in class actions.

Item 18. Financial Information

We do not require nor do we solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

We are not aware of any financial condition that is reasonably likely to impair our ability to meet contractual commitments to the Fund.

We have never been the subject of a bankruptcy petition.