

Item 1 – Cover Page

Talara Capital Management, LLC

25 North Fullerton Avenue

Montclair, NJ 07042

(713) 437-3454

www.talaracapital.com

March 31, 2022

This Brochure provides information about the qualifications and business practices of Talara Capital Management, LLC (“Talara” or “Firm”). If you have any questions about the contents of this Brochure, please contact us at (713) 437-3454. 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 Talara also is available on the SEC’s website at www.adviserinfo.sec.gov.

As used in this Brochure, unless otherwise stated or the context requires, references to “we,” “us,” “our,” and similar references refer collectively to the Firm.

Item 2 – Material Changes

This Item of the Brochure will discuss only specific material changes that have been made to Talara’s Brochure since our last annual update on March 31, 2021 and provides clients with a summary of such changes. This update to our Brochure contains updates throughout the Brochure to reflect the liquidation of Talara Opportunities IV, LP.

Currently, our Brochure may be requested by contacting us at (713) 437-3454.

Item 3 -Table of Contents

Item 1 – Cover Page	i
Item 2 – Material Changes	ii
Item 3 -Table of Contents	iii
Item 4 – Advisory Business	1
Item 5 – Fees and Compensation	2
Item 6 – Performance-Based Fees and Side-By-Side Management	5
Item 7 – Types of Clients.....	5
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.....	5
Item 9 – Disciplinary Information	14
Item 10 – Other Financial Industry Activities and Affiliations	14
Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading	15
Item 12 – Brokerage Practices	16
Item 13 – Review of Accounts.....	16
Item 14 – <i>Client</i> Referrals and Other Compensation.....	16
Item 15 – Custody	17
Item 16 – Investment Discretion	17
Item 17 – Voting <i>Client</i> Securities	17
Item 18 – Financial Information.....	18

Item 4 – Advisory Business

Talara is owned by David Zusman and Andrew Heyman and has been providing advisory services since January 1, 2011. As of December 31, 2021, Talara managed \$465,530,422 on a discretionary basis.

Talara provides investment advisory services on a discretionary basis to clients that are pooled investment vehicles which are not registered as investment companies under the Investment Company Act of 1940, as amended (the “Company Act”) and the securities of which are offered and sold in reliance upon an exemption from registration under the Securities Act of 1933, as amended (the “Securities Act”). As of the date of this Brochure, Talara provides investment advisory services to Talara Opportunities V, LP, Talara Capital Energy Fund, II LP, and Talara Capital Energy Fund II US, LP, and TCM Sunrise, LP (each a “Fund” and, collectively, the “Funds”).

Talara Opportunities V, LP and TCM Sunrise, LP were established as special purpose vehicles to invest as a limited partner in private oil and gas limited partnerships and each structured in a “private equity” format.

Talara Capital Energy Fund II, LP’s is a Cayman Islands exempted limited partnership established to make investments in middle market energy businesses in the United States and Canada. Talara Capital Energy Fund II US, LP is a “Parallel Fund” designed to invest alongside Talara Capital Energy Fund II, LP (“Offshore Fund”) in each investment, except to the extent it is prohibited from doing so by tax, legal, accounting or other similar considerations. The Parallel Fund has been organized on terms substantially similar to the Offshore Fund and generally will co-invest with the Offshore Fund pro rata and pari passu on the basis of committed capital

Talara will tailor the advisory services for each Fund based on each Fund’s investment objective and investment strategy, including guidelines regarding the types of securities it will invest in and portfolio limits (if any), and does not tailor advisory services to the investors in such Fund. Prospective investors are requested to refer to the relevant Fund Offering Documents for complete details.

Item 5 – Fees and Compensation

All investors and prospective investors should review the applicable Fund Offering Documents in conjunction with this Brochure for further information regarding fees and compensation or expenses and the following is subject in its entirety to the information provided in such Fund Offering Documents.

Talara's compensation arrangements vary among the Funds. Talara is generally paid a management fee paid quarterly in advance and/or performance-based compensation paid to a Talara affiliate. In certain circumstances, the advisory fees payable to Talara and/or the performance-based compensation payable to Talara's affiliated general partner may be negotiable or waived.

To the extent permitted by the applicable Fund Offering Documents, each Fund will generally bear, and reimburse the general partner and Talara (and their respective affiliates) expenses incurred in connection with the offering of interests and the formation and organization of the Funds and other entities formed to facilitate the investment objectives of such Funds.

Talara Capital Energy Fund II, LP and Talara Capital Energy Fund II, US, LP will pay or reimburse Talara for all costs and expenses relating to the Funds activities (to the extent not reimbursed by a portfolio company), including: (i) the Management Fee, (ii) expenses, including travel and entertainment expenses, incurred in connection with the investigation, pursuit, sourcing, evaluation, acquisition and disposition of potential or actual portfolio company investments (including investments not consummated), (iii) out-of-pocket costs and expenses incurred in connection with the management of portfolio company investments, including financing, legal, accounting, management and consulting fees and expenses, travel and entertainment expenses, record keeping and other related administrative fees; (iv) administrative expenses incurred in the ordinary course, including the cost of preparing annual audit, financial and tax returns and tax reports for investors or the Funds, cash management expenses and routine legal and accounting expenses, (v) brokerage commissions, registration fees and expenses, custodial expenses, and other investment costs incurred in connection with portfolio company investments, (vi) principal, interest on and fees and expenses arising out of borrowings and subscription line facilities, (vii) out-of-pocket costs of litigation, including payment of damages and settlements, D&O insurance and indemnification or extraordinary costs and expenses, (viii) expenses associated with the termination of the Funds, (ix) registration expenses and taxes, expenses relating to filings with the SEC or other regulatory bodies (including in foreign or local jurisdictions and regulatory expenses of the general partner and Talara relating to the activities of the Funds), governmental charges, and expenses incurred in

connection with a tax audit, investigation, settlement or review of the Funds, (x) expenses of the Advisory Committee and the annual meetings of the investors, (xi) private placement fees and expenses paid to third-party placement agents relating to the Fund's formation and obtaining the Commitments, but only to the extent management fees are subsequently reduced by such placement agent fees, (xii) expenses associated with the preparation of the Funds financial statements, tax returns and K-1's or similar schedules, (xiii) fees of attorneys, accountants, fund administrators, service providers, and other professionals incurred on behalf of the Funds, (xiv) insurance premiums incurred in connection with the Fund's activities (including insurance covering the general partner, the general partner's affiliates and related entities, Talara and any other person acting on behalf of the Funds or entities related to the Funds with respect to activities of the Funds), (xv) expenses arising from defaults by investors in the payment of capital contributions, (xvi) expenses in connection with any amendments, modifications, revisions or restatements to the Fund documents, (xviii) post-closing obligations under agreements relating to the disposition of portfolio companies, including indemnification obligations and purchase price adjustment obligations and (xix) cost and expenses of Alternative Investment Vehicles.

Talara Opportunities V, LP and TCM Sunrise, LP

The special purpose vehicles will pay or reimburse the general partner and Talara (and their respective affiliates) for all expenses incurred by any of them on behalf of the respective special purpose vehicle. The general partner generally expects to allocate such expenses among investors in proportion to their capital commitments. Notwithstanding the foregoing, if the general partner determines that is equitable to specially allocation any expenses to an investor or group of investors, the general partner generally will have the authority to make that allocation.

The special purpose vehicles shall bear and be charged with all fees, costs and expenses incurred in connection with its activities and operations (the "Operating Expenses"), including, but not limited to: (1) administrative fees, costs and expenses related to the operation of the special purpose vehicle, including the fees and expenses of accountants, lawyers, third-party administrators and other professionals and service providers incurred in connection with the respective Fund's annual audit, data processing, investment-level management and servicing, Funding Notices, record-keeping, legal, compliance, financial reporting, legal opinions, tax planning, tax projections, tax strategy and tax return preparation, as well as expenses associated with the preparation and distribution of reports, (2) fees, costs and expenses, if any, incurred in evaluating, negotiating, structuring, acquiring, appraising, financing, refinancing or disposing of the investment (which may

include, without limitation, any financing, legal, accounting, advisory and consulting, and reasonable travel, lodging and meal expenses in connection therewith (to the extent not subject to any reimbursement of such costs and expenses by a special purpose vehicle or other third parties), (3) fees, costs and expenses, if any, with respect to rendering financial assistance to or arranging for financing for the respective special purpose vehicle, any subsidiary or investments, (4) interest expenses, all costs of making temporary investments, brokerage commissions and other investment costs incurred by or on behalf of the special purpose vehicle, (5) fees, costs and expenses incurred in organizing, forming and maintaining any Alternative Investment Vehicle, subsidiary and any other entity formed to facilitate the special purpose vehicle's investment, any of its direct and indirect subsidiaries (including any legal and accounting expenses and other fees and out-of-pocket costs related thereto), (6) taxes, fees and other equivalent governmental charges levied against the special purpose vehicle, investment or the income thereof, fees of auditors, counsel and other advisors of the special purpose vehicle, premiums for insurance protecting the special purpose vehicle, the general partner, Talara (acting in that capacity), and other indemnified parties, and litigation costs of the special purpose vehicle, (7) indemnified expenses incurred related to the investment, and any other extraordinary administrative or operating fees or expenses (*e.g.*, litigation), (8) costs and expenses of forming any special purpose entity or subsidiary formed in connection with an investment and the costs of maintaining each entity of the respective Fund, (9) costs of the respective Fund's compliance with applicable laws and regulations of governmental and self-regulatory bodies, (10) costs of directors and officers insurance for the respective Fund and the general partner, (11) management fees, (12) expenses incurred in connection with the winding up or liquidation of a Fund, and (13) other customary expenses.

Talara, its affiliates and their respective personnel can be expected to receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of the Funds which will not be subject to any Fund Fee offset or otherwise shared with the Funds, Fund investors and/or the portfolio companies. For example, airline travel or hotel stays incurred as expenses of a Fund typically result in "miles" or "points" or credit in loyalty/status programs, and such benefits and/or amounts will, whether or not de minimis or difficult to value, inure exclusively to such entities and/or such personnel (and not the Funds, Fund investors and/or the portfolio companies) even though the cost of the underlying service is borne by the Funds and/or the portfolio companies.

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

In addition to the management fees which Talara receives as Investment Manager, Talara or an affiliated general partner of the Funds may be entitled to receive performance-based compensation (i.e., Incentive Allocation or Carried Interest). Performance-based compensation will be made in conformity with Section 205 of the 1940 Act and Rule 205-3 thereunder. See each Fund's relevant Fund Offering Documents for more detail including the calculation of performance-based fees.

Performance-based compensation creates an incentive for Talara to cause the Funds to make investments which may be riskier or more speculative than those which would be made in the absent of this arrangement. Additionally, the Funds may be subject to different performance fee terms and Talara and its related person have different interests in each of such Funds. This creates potential conflicts of interest in that Talara may have an incentive to favor Funds in which Talara or its related persons have greater potential for financial gain. We have procedures designed and implemented to ensure fair and equitable treatment and to prevent such conflicts.

Item 7 – Types of Clients

Talara provides investment advice to the Funds. Each Fund's investors will generally consist of "accredited investors" within the meaning of Regulation D of the Securities Act of 1933, as amended and "qualified purchasers" within the meaning of Section 2(a)(51) of the Investment Company Act of 1940, as amended.

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

Methods of Analysis and Investment Strategy

The Funds follow Talara's private investment strategy which focuses on identifying quality assets and partnering with best-in-class operating teams, taking a flexible and collaborative approach to development of upstream oil and gas properties in the middle market.

Talara generally relies on a thesis-driven investment approach, following the pattern established through the Firm's historical private investments. Investments are entered with the exit in mind and follow a rigorous process throughout the investment lifecycle. Talara generally will focus on field development and exploitation opportunities that lend themselves to capital staging and enhancement through technological innovation and operating efficiencies. Further, the Firm typically requires that its management teams have operational control and generally seeks to avoid pure exploration.

Talara Opportunities V, LP Fund was established to restructure and re-capitalize Caza Oil & Gas, Inc., to execute a well development strategy in the Delaware Basin.

TCM Sunrise, LP was established to further capitalize Crescent Pass Energy through a co-investment entity.

Talara Capital Energy Fund II, LP and Talara Capital Energy US II, LP were established to make investments in middle market energy businesses in the United States and Canada.

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear.

All investments present the risk of loss of principal – the risk that the value of securities, when sold or otherwise disposed of, may be less than the price paid for the securities.

Investment in the Funds may be deemed a highly speculative investment and involves significant risk, suitable only for persons who can bear the economic risk of the loss of their entire investment, who have limited need for liquidity in their investment and who meet the conditions set forth in the relevant Fund Offering Documents. There can be no assurances that the Funds will achieve their investment objective. The material risks presented by the investment strategies pursued by Talara are summarized below which is qualified in its entirety by the relevant Fund Offering Documents. Investors should refer to the relevant Fund Offering Documents for a description of the various risks faced by the Funds in executing their investment strategies.

Risk Management; Operational Controls

Although Talara will seek to manage investment risks by employing appropriate due diligence, analysis and pricing models prior to investing in a portfolio company, we cannot assure that these methods will expose all the considerations relevant to the investment decision. Further, the operational controls and risk management techniques used involve third parties over whom Talara does not exercise control, including outsourced providers of fund administration and custody services. The proper operation of the Funds and safekeeping of their assets depends on the performance and financial wherewithal of these third parties. The operational controls and risk management techniques we use also necessarily include subjective elements, making the judgment and discretion of our investment professionals, and our control-side professionals, fundamental to the risk management process. The greater the importance of subjective factors, the more

challenging it becomes for us to control for risk, which in turn increases the likelihood of unpredictable results with respect to a portfolio company and a Funds' overall performance.

An investment in a Fund can involve operational risk arising from such factors as processing errors, human errors, inadequate or failed internal or external process, failures in systems and technology, changes in personnel and errors caused by third parties. While we seek to minimize these events through controls and oversight, there may still be failures that could cause losses to the Funds. In addition, as the use of technology increases, the Funds may be more susceptible to operational risks through breaches of our information technology systems. Such cyber security attacks are evolving and currently include malicious software, attempts to gain unauthorized access to data and other electronic security breaches that could lead to disruptions in critical systems, unauthorized release of confidential or otherwise protected information and corruption of data.

A cyber security breach may be either an intentional event or an unintentional event, and it may cause the Funds to lose proprietary information, suffer data corruption or expose information to misuse. Sensitive information that may be breached in the event of a cyber-security threat includes information regarding investors and Funds' investment activities. Cyber security breaches of our third-party service providers or portfolio companies may also subject the Funds to many of the same risks associated with direct cyber security breaches. If these events were to materialize, they could lead to losses of sensitive information, including the loss of investor confidential or personal information, or capabilities essential to Talara's, the Funds' and/or a portfolio company's operations, financial losses from remedial actions, loss of business or potential liability.

Incorrect Reserve Assumptions

The calculation of reserves and estimating reserves are inherently uncertain. In addition, the estimates of future net revenues are based upon various assumptions regarding future production levels, prices and costs that may prove to be incorrect overtime.

The accuracy of any reserve estimate is a function of the quality of available data, engineering interpretation and judgment, and the assumptions used regarding the quantities of recoverable oil and natural gas and the future prices of oil and natural gas. Petroleum engineers consider many factors and make many assumptions in estimating reserves. Those factors and assumptions include, but are not limited to, the following: historical production from the area compared with production rates from similarly situated producing areas; the effects of governmental regulation; assumptions about future commodity prices, production and taxes; the availability of enhanced recovery

techniques; and relationships with landowners, working interest partners, pipeline companies and others. Changes in any of these factors and assumptions could materially change reserve and future net revenue estimates.

Evaluation Limitations

The acquisition of a specific asset or project will depend in part on the evaluation of data obtained from geophysical and geological analyses, seismic data and other information, the results of which are often inconclusive and subject to various interpretations. The process of estimating oil and gas reserves is complex and inherently subjective, requiring significant estimates and assumptions. Information may be incomplete (particularly in early-stage opportunities) and implications of available data may not be fully understood. Moreover, a general partner may elect to assume title, development, environmental and other risks in connection with acquired properties.

Shortages of Drilling Rigs, Equipment, Supplies and Personnel

In the past, there have been periods where general shortages of drilling rigs, equipment and supplies have occurred. Shortages of drilling rigs, equipment or supplies could delay and adversely affect exploration and development operations associated with certain oil and gas assets, which could have a material adverse effect on business, financial condition and results of operations. The demand for, and wage rates of, qualified rig crews in the drilling industry tend to fluctuate in response to the number of active drilling rigs in service. The oil and natural gas industry may in the future experience shortages of qualified personnel to operate drilling rigs, which could delay drilling operations and adversely affect business, financial condition and results of operations.

Illiquidity; Market for Fund Investments

There will be no public market for certain Fund investments in privately held entities, and the ability to dispose of any investment will in many cases be further limited by the agreements the respective Fund enters into in connection with its investments. The Funds' ability to sell or distribute securities and to realize investment gains will depend, in large part, upon favorable market conditions, including receptiveness to initial public offerings for the Fund portfolio companies and an active mergers and acquisitions market. Initial public offering and merger and acquisition opportunities may be limited or non-existent for extended periods of time, whether due to economic, regulatory or other factors. In addition, private equity opportunities frequently involve larger sized investments, which involve additional risks and may be more difficult to finance and exit. In view of these limitations on liquidity, which are illustrative and not exhaustive, the Funds will generally be unable to realize on an investment in a privately held entity until the sale of such entity. There can be no assurance that a Fund will be able to dispose of its investments at the price

and at the time it wishes to do so. Furthermore, this illiquidity may continue even if the underlying entities obtain listings on securities exchanges.

Concentration of Investments

The respective portfolios for Talara Opportunities V, LP and TCM Sunrise, LP are concentrated in one issuer, industry, sector, strategy, country and geographic region, and such concentration of risk will increase the risk of losses. This concentration could expose these Funds to losses disproportionate to market movements in general. Talara will not attempt to control such risks by diversifying such Funds' portfolios. In addition, many other investment funds pursue similar strategies, which create the risk that many funds would be forced to liquidate positions at the same time, reducing liquidity, increasing volatility and exacerbating losses. Investments in Talara Capital Energy Fund II, LP and Talara Capital Energy US II, LP will be concentrated in the upstream oil and gas industry and will be subject to numerous risks that affect the upstream oil and gas industry as a whole, or specific sectors within that industry. Because of the concentration of investments in this industry, an investment in the Funds may be subject to greater risk than an investment in a portfolio representing a broader range of industries.

Fluctuation in Energy Prices

The revenues and profitability of Fund investments are likely to be significantly affected by the future prices of and the demand for oil and natural gas, which are inherently uncertain. Oil and gas investments may have significant shortfalls in projected cash flow if prices decline from levels projected at the time the investment is made. Historically, oil and natural gas prices have been volatile and are subject to fluctuations in response to changes in supply and demand, market uncertainty and a variety of additional factors that are beyond the Fund's control, including:

- the domestic and foreign supply of and demand for oil and natural gas
- market uncertainty and expectations about future prices of oil and natural gas
- the level of global oil and natural gas exploration and production
- the cost of exploring for, developing, producing and delivering oil and natural gas
- weather conditions and natural disasters
- domestic and foreign governmental regulations and taxes
- technological advances affecting energy consumption
- price and availability of alternative fuels

- political and economic conditions in oil-producing countries, particularly those in the Middle East, Russia, South America and Africa
- the ability of members of the Organization of Petroleum Exporting Countries to agree to and maintain oil price and production controls
- U.S. and foreign supply of oil and natural gas
- price of oil and natural gas imports
- overall domestic and foreign economic conditions

These factors make it very difficult to predict future commodity price movements with any certainty.

Any prolonged substantial decline in the price of oil and natural gas will likely have a material adverse effect on the financial condition, results of operations and cash distributions of the Fund's portfolio companies.

Oil & Natural Gas Development and Production

Fund investments in businesses that engage in oil and natural gas exploration and development are speculative and involve a degree of risk, including the risk that no commercially productive oil or natural gas reserves will be found.

The prevailing prices of oil and natural gas also affect the cost of and the demand for drilling rigs, production equipment and related services. Oil and natural gas drilling may involve unprofitable efforts, not only from dry holes, but also from wells that are productive but do not produce sufficient net revenues to return a profit after drilling, operating and other costs. The cost of drilling and completing wells is often uncertain. Oil and gas drilling and production activities may be shortened, delayed or canceled as a result of a variety of factors, many of which are beyond the Talara's control. These factors include:

- unexpected drilling conditions
- pressure or irregularities in formations
- equipment failures or accidents
- premature declines of reservoirs, blowouts, well or equipment failures and other accidents in completing wells or otherwise
- hurricanes and other adverse weather conditions
- shortages in experienced labor

- uncontrollable flows of oil, natural gas, well fluids or discharges of toxic gases
- pollution, fires, spills and other environmental risks
- shortages or delays in the delivery of equipment

If any of these industry operating risks occur, a Fund could experience substantial losses. Substantial losses may be caused by injury or loss of life, severe damage to or destruction of property, natural resources and equipment, pollution or other environmental damage, clean-up responsibilities, regulatory investigation and penalties and suspension of operations.

Nature of Investments

An investment in a Fund is speculative and volatile, requiring a long-term commitment, with no certainty of return. The Funds may make investments in companies that are experiencing severe financial difficulties, which difficulties may never be overcome. The Funds may also make investments in companies that are in a conceptual or early stage of development, which may have no proven operating history on which to judge future performance, little or no profits or cash flow, uncertain market acceptance and a high degree of regulatory risk. The investments are considered highly speculative and may result in the loss of the entire investment. Because the Funds may only make a limited number of investments and because many of the Funds' investments may involve a high degree of risk, poor performance by a few of the investments could significantly reduce the total returns to investors. No assurances can be given that investment objectives will be achieved or that investors will receive a return of capital.

Nature of Upstream Oil and Gas Industry Investments

Investments in the upstream oil and gas sector may be subject to a variety of risks, not all of which can be foreseen or quantified. Such risks may include but are not limited to: (i) the risk that the technology employed in the upstream oil and gas project will not be effective or efficient; (ii) risks of well or equipment failures, loss of sale and supply contracts or markets, decreases or escalations in power contract prices, bankruptcy of key customers or suppliers, tort liability in excess of insurance coverage, inability to obtain desirable amounts of insurance at economic rates, and casualty, condemnation and other catastrophic events; (iii) risks that regulations affecting the upstream oil and gas industry will change in a manner detrimental to the industry; (iv) environmental liability risks related to upstream oil and gas properties and projects; (v) uncertainty about the extent, quality and availability of oil and natural reserves; and (vi) the risk of changes in values of companies in the upstream oil and gas sector whose operations are affected by changes in prices and supplies of energy fuels (prices and supplies of energy fuels can fluctuate

significantly over a short period of time due to changes in international politics, energy conservation, the success of exploration projects, the tax and other regulatory policies of various governments and the economic growth of countries that are large consumers of upstream oil and gas products, as well as other factors). The occurrence of events related to the foregoing may have a material adverse effect on the Funds and investments.

Regulation of the Oil & Gas Industry

The oil and gas industry is affected from time to time in varying degrees by political developments and a wide range of statutes, rules, orders and regulations. For example, oil and gas production, operations and economics are or have been affected by price controls, production limitations, export limitations, taxes and other laws relating to the energy industry, by changes in such laws and by changes in administrative regulations. In addition, various laws and regulations relating to the protection of the environment may affect the operations and costs of the companies engaged in the oil and gas industry.

Conflicts of Interest

The relationships among the Funds, their respective general partners, Talara, the limited partners, the portfolio companies and their respective affiliates will give rise to certain conflicts of interest, including those with respect to:

- Allocation of investment opportunities and fees and expenses for broken deals among the Funds
- Our ability to form new funds or vehicles
- the allocation of co-investment opportunities
- the allocation of our professionals' time and attention
- investments made by the Funds in the same portfolio company or competing portfolio companies
- receipt of confidential or material non-public information
- customized terms provided to certain investors in side letters
- the diversity of limited partners and the competing interests that arise as a result
- strategic transactions by Talara
- the interpretation of relevant Offering Agreements and other relevant legal provisions

Third-Party Involvement

Talara may co-invest with third parties through joint ventures or other entities. These investments may involve risks in connection with such third-party involvement, including the possibility that a third-party co-investor or co-venturer may have financial, legal or regulatory difficulties that negatively affect the investment, may have economic or business interests or goals that are inconsistent with those of a Fund or may be in a position to take (or block) action in a manner contrary to a Fund's investment objectives. In addition, a Fund may in certain circumstances be liable for the actions of its third-party co-investors or co-venturers. In those circumstances where there are third parties that include a management group, these third parties may receive compensation arrangements relating to the investments, including incentive compensation arrangements or fees based on the value of assets managed.

Non-Controlling Investments

The Funds may hold less than fifty percent (50%) of the outstanding voting interests of any portfolio company, or may hold investments in debt instruments or other securities that do not entitle the Fund to voting rights, and, therefore, may have a limited ability to protect its investment in any such portfolio company. As a condition of investment, we may negotiate representation on the board of directors of a portfolio company or appropriate minority shareholder and supervisory rights to protect the Fund's investment. However, there can be no assurance that these measures will give the Fund the influence it would need to protect its investment.

Epidemics, Pandemics, Outbreaks of Disease and Public Health Issues

Talara and its affiliates' business activities as well as the activities of the Funds and its operations and investments could be materially adversely affected by outbreaks of disease, epidemics and public health issues in Asia, Europe, North America, the Middle East and/or globally, such as COVID-19 (and other novel coronaviruses), Ebola, H1N1 flu, H7N9 flu, H5N1 flu, Severe Acute Respiratory Syndrome, or SARS, or other epidemics, pandemics, outbreaks of disease or public health issues. In particular, coronavirus, or COVID-19, has spread and is currently spreading rapidly around the world since its initial emergence in December 2019 and has negatively affected (and may continue to negatively affect or materially impact) the global economy, global equity markets and supply chains (including as a result of quarantines and other government-directed or mandated measures or actions to stop the spread of outbreaks). Although the long-term effects of coronavirus, or COVID-19 (and the actions and measures taken by governments around the world to halt the spread of such virus), cannot currently be predicted, previous occurrences of other

epidemics, pandemics and outbreaks of disease, such as H5N1, H1N1 and the Spanish flu, had material adverse effects on the economies, equity markets and operations of those countries and jurisdictions in which they were most prevalent. A recurrence of an outbreak of any kind of epidemic, communicable disease, virus or major public health issue could cause a slowdown in the levels of economic activity generally (or push the world or local economies into recession), which would be reasonably likely to adversely affect the business, financial condition and operations of Talara and its affiliates and the Funds. Should these or other major public health issues, including pandemics, arise or spread farther (or continue to worsen), Talara and its affiliates and the Funds could be adversely affected by more stringent travel restrictions (such as mandatory quarantines and social distancing), additional limitations on Talara and its affiliates' (or the Funds) operations and business activities and governmental actions limiting the movement of people and goods between regions and other activities or operations.

The risks of loss described herein should not be considered to be an exhaustive list of all the risks which Investors should consider. Investors should refer to the relevant Fund Offering Documents for additional information on risk factors and risk of loss.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Talara or the integrity of Talara's management. Talara has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Talara is under common control with Talara Opportunities V GP, LLC which serves as the general partner for Talara Opportunities V, LP, Talara Capital Energy GP II, LLC which serves as the general partner for Talara Capital Energy Fund II, LP, Talara Capital Energy GP II US, LLC which serves as the general partner for Talara Capital Energy Fund II US, LP, and TCM Sunrise GP, LLC which serves as the general partner for TCM Sunrise, LP.

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading

Talara has adopted a Code of Ethics expressing the Firm's commitment to ethical conduct.

The Code is designed to ensure that the personal securities transactions, activities and interests of the employees of Talara will not materially interfere with (i) making decisions in the best interest of the Funds and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities and transactions have been designated as exempt securities or transactions based upon a determination that an employee's investment in such securities would not generally be expected to interfere with the best interest of clients. In addition, the Code requires pre-clearance of certain transactions such as IPOs and limited offerings.

Employee trading is monitored by the Chief Compliance Officer, to reasonably detect and prevent conflicts of interest between the Talara and clients. Talara's Code of Ethics further includes the Firm's policy prohibiting the use of material non-public information and protecting the confidentiality of client information. Talara's Insider Trading Policies prohibit Talara and its personnel from trading for the Funds or themselves, or recommend trading, in securities of a company while in possession of material, non-public information ("Inside Information") about the company, and from inappropriately disclosing such information.

Talara and its related persons do not participate in and do not have any interest in client transactions, except to the extent that Talara's officers and employees may directly or indirectly invest in the Funds. Talara requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any individual not in observance of the above may be subject to discipline. Talara will provide a complete copy of its Code of Ethics to any existing or prospective investor upon request.

Additional Considerations

From time to time, various potential and actual conflicts of interest may arise from the overall advisory, investment and other activities of Talara, its affiliates, and personnel. Talara has established policies and procedures to monitor and resolve conflicts and will endeavor to resolve conflicts with respect to investment opportunities in a manner it deems fair and equitable to the extent possible under the prevailing facts and circumstances.

Item 12 – Brokerage Practices

Talara focuses on privately negotiated securities transactions of private companies and does not expect to trade generally in public securities. However, in the event Talara executes a brokerage transaction in a publicly traded security, the Firm will generally consider qualitative factors including, but not limited to, the broker's reliability and execution capabilities for the transaction, the commissions charged by the broker, and the broker's reputation and responsiveness to requests for trade data and other financial information.

Item 13 – Review of Accounts

Reviews:

The Funds are subject to continuous review by Talara's portfolio managers and operations staff including, among others, review of investment performance, valuation changes, market developments, adherence to investment guidelines and strategies and risk analysis. In addition, our Chief Compliance Officer conducts reviews on a periodic basis for compliance with our policies and procedures and Fund Offering Documents.

Talara closely monitors the portfolio companies of the private equity vehicles and generally maintains an ongoing oversight position on the Boards of the portfolio companies.

Reports:

Each Fund distributes unaudited statements to investors on a quarterly basis and a financial report audited by such Fund's independent auditors after the end of each fiscal year. With respect to each of the Domestic Funds, each investor is sent tax information that is necessary for the completion of such investor's U.S. tax returns.

Item 14 – *Client* Referrals and Other Compensation

Talara and or its affiliates have entered into and may in the future enter into placement agent arrangements with unaffiliated third parties for introducing investors to a Fund. Any compensation associated therewith will ultimately be payable by Talara and/or its affiliates, either directly or through an offset of the advisory fee payable by the relevant Fund to Talara. An investor will not be charged any additional amount or bear any

additional charges as a result of an introduction through a placement agent or other unaffiliated third party.

Any third-party solicitors engaged by Talara in the U.S. will be registered as broker-dealers with the SEC. Third-party solicitors outside the U.S. will be registered with a non-U.S. regulatory body to the extent such registration is required in the applicable non-U.S. jurisdiction.

Item 15 – Custody

Talara is deemed to have custody in certain circumstances in which it or a related person serves as general partner or managing member of the Funds. The SEC's custody rule sets forth certain requirements for the safekeeping of client assets. Pursuant to the rule, it is Talara's policy to cause each Fund with assets over which Talara or a related person is deemed to have "custody" to be audited annually by an independent accounting firm that is both registered with and subject to regular inspection by the Public Company Accounting Oversight Board ("PCAOB"), distribute audited financial statements prepared in accordance with U.S. generally accepted accounting principles ("GAAP"), to each investor (or their independent representative) within 120 days of each fiscal year end. In addition, upon the final liquidation of any such Fund, Talara will obtain a final audit and distribute audited financial statements prepared in accordance with GAAP with respect to such Fund to all investors promptly after completion of the audit.

Item 16 – Investment Discretion

Talara is granted discretionary authority to manage securities accounts on behalf of the Funds subject to the limitations set forth in the respective Fund Offering Documents. Talara is granted such discretionary authority in the relevant organizational documents and/or advisory agreements.

Item 17 – Voting *Client* Securities

Talara's policies and procedures have been designed to ensure that it complies with the requirements of Rule 206(4)-6 and Rule 204-2(c)(2) under the Advisers Act and that reflect its commitment to vote all securities for which it exercises voting authority in a manner consistent with the best interests of clients. Given the nature of the Funds' current investments, it is unlikely that Talara will receive proxies with respect to securities held on behalf of the Funds. In such cases, however, Talara's general policy is to vote such proxies

in a manner that it determines is in the best interests of the Funds. From time to time, conflicts may arise between the interests of clients (the Funds) or one or more Fund investors, on the one hand, and the interests of the Talara or its affiliates, on the other hand. If a material conflict is identified by the Chief Compliance Officer, Talara will determine whether voting in accordance with our proxy voting guidelines is in the best interests of its clients. clients may obtain a copy of the Talara's Proxy Voting Policies and Procedures and information on how their proxies were voted by contacting the Chief Compliance Officer at (713) 437-3454.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Talara's financial condition. Talara has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.