



Satori Capital, LLC
2501 N. Harwood Street, Suite 2001
Dallas, Texas 75201
(214) 390-6279
www.satoricapital.com

Form ADV, Part 2A – Disclosure Brochure

March 31, 2022

This Brochure provides information about the qualifications and business practices of Satori Capital, LLC (the “**Filing Adviser**”) and its affiliated investment advisers, Satori Alpha Management, LLC, Satori Alpha GP, LLC, Satori Management, LLC, Satori Capital 2009 GP, LLC, Satori Capital Strategic Opportunities GP, LLC, Satori Capital III GP, LLC, Satori Crossover Partners GP, LLC, Satori Co-Investment GP, LLC, Satori XL, LLC, and Satori Thematic Partners GP, LLC (collectively the “**Relying Advisers**”) and together with the Filing Adviser, the “**Advisers**”). If you have any questions about the contents of this Brochure, please contact Willie Houston, the Chief Compliance Officer for Advisers, at (214) 390-6279.

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.

Registration as an investment adviser does not imply any level of skill or training.

Additional information about the Advisers are also available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 2 - MATERIAL CHANGES

This is an annual amendment for the year ended December 31, 2021. Since the last annual amendment filed on March 31, 2021, there have been no material changes to this brochure. In the future, a summary of any material changes will be listed here, as applicable.

Nevertheless, investors are encouraged to review this brochure in its entirety. The information set forth in this brochure is qualified in its entirety by the applicable offering and governing documents. In the event of a conflict between the information set forth herein and the applicable offering and governing documents, the information set forth in the applicable offering and governing documents shall control.

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	4
Item 6 - Performance-Based Fees and Side-By-Side Management	10
Item 7 - Types of Clients	10
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss	11
Item 9 - Disciplinary Information	40
Item 10 - Other Financial Industry Activities and Affiliations	40
Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	41
Item 12 - Brokerage Practices	42
Item 13 - Review of Accounts	43
Item 14 - Client Referrals and Other Compensation	44
Item 15 - Custody	44
Item 16 - Investment Discretion	44
Item 17 - Voting Client Securities	44
Item 18 - Financial Information	45

ITEM 4 - ADVISORY BUSINESS

The Advisers are a private investment firm located in Dallas, Texas and Fort Worth, Texas. The Filing Adviser and the Relying Advisers together have filed a single form ADV in reliance on the umbrella registration provisions provided in SEC Release No. IA-4509 (August 25, 2016). References herein to the Filing Adviser or the Relying Advisers include affiliated management companies of the Filing Adviser and the Relying Advisers, and references herein to the “**Adviser**” means the applicable Adviser(s) for a particular Fund and its affiliated management companies, and “**Advisers**” include the Filing Adviser, the Relying Advisers and their affiliated management companies. The Advisers, either directly or through affiliates, provide investment advice on a discretionary and non-discretionary basis to a number of private investment vehicles that are part of the Satori Capital family of funds and that pursue specialized investment strategies as described herein (each, a “**Fund**”, and together, the “**Funds**”).¹

The Filing Adviser was formed in November 2008 and began providing advisory services to Funds in 2009. The Relying Advisers were formed at the times set-forth below after its name and began providing advisory services to Funds shortly after formation: Satori Alpha Management, LLC (August 2013); Satori Alpha GP, LLC (March 2011); Satori Management, LLC (September 2009); Satori Capital 2009 GP, LLC (September 2009); Satori Capital Strategic Opportunities GP, LLC (August 2010); Satori Capital III GP, LLC (October 2015), Satori Crossover Partners GP, LLC (March 2015), Satori Co-Investment GP, LLC (July 2019) Satori Co-Investment II GP, LLC (December 2021), and Satori Thematic Partners GP, LLC (December 2021).

In connection with sponsoring a Fund, the Adviser is responsible for evaluating and monitoring Fund investments and providing day-to-day managerial and administrative services to the Fund, as more fully described in the offering memorandum and/or governing documents of each Fund. Randall M. Eisenman (“**Eisenman**”) and Sunny C. Vanderbeck (“**Vanderbeck**”) solely own and control indirectly through entities and trusts, all of the Advisers other than Satori Alpha Management, LLC, Satori Alpha GP, LLC, and Satori Thematic Partners GP, LLC. Eisenman, Vanderbeck, and James E. Haddaway own and control indirectly through entities and trusts, Satori Alpha Management, LLC, Satori Alpha GP, LLC and Satori Thematic Partners GP, LLC.

The Advisers operate under a single code of ethics adopted in accordance with Rule 204A-1 under the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”), and a single written compliance program adopted and implemented in accordance with Rule 206(4)-7 under the Advisers Act and administered by a single chief compliance officer.

The Advisers’ advisory services currently include three distinct investment strategies: a private equity strategy, an alternative investments strategy, and a hybrid investment strategy.

¹ As an SEC-registered investment adviser, Satori owes a fiduciary duty to all of its clients. In 2006, the decision by the Court of Appeals for the D.C. Circuit in *Goldstein v. SEC*, 451 F.3d 873 (D.C. Cir. June 23, 2006), with respect to private funds, clarified that the “client” of an investment adviser to a private fund is the fund itself and not an investor in the fund. For purposes of this Brochure, the terms “Fund” or “Funds” refer to the advisory clients of the Adviser.

Private Equity Strategy

Filing Adviser and certain Relying Advisers (*i.e.*, Satori Capital 2009 GP, LLC; Satori Capital Strategic Opportunities GP, LLC; Satori Capital III GP, LLC; and Satori Co-Investment GP, LLC) provide advisory services to six Funds pursuing the private equity strategy (*i.e.*, Satori Capital 2009, LP; Satori Capital Strategic Opportunities, LP; Satori Capital III, LP; Satori SunTree, LP; Satori Co-Investment, LP; and Satori Co-Investment II, LP). The Filing Adviser and Relying Advisers providing advisory services to Funds pursuing the private equity strategy are sometimes referred to herein as the “**Satori PE Adviser**.”

Satori PE Adviser, on behalf of the Funds pursuing the private equity strategy, seeks to acquire both minority and majority positions in privately-held, profitable, sustainably-run companies operating in the lower middle market. Satori PE Adviser believes that companies engaged in sustainable business practices offer excellent opportunities for growth with lower overall risk to investors. These businesses often deliver strong returns by operating with a long-term perspective, committing to their mission or purpose, and focusing on creating value for each of their stakeholders. The benefits of such practices include increased employee engagement, higher customer loyalty, collaborative partnerships with vendors and suppliers, and strong community support. The resulting system of motivated and aligned stakeholders often results in higher quality products and services, increased demand for those products and services, and a more resilient business.

Satori PE Adviser intends to make the majority of the Funds’ investments in companies headquartered in the United States. Satori PE Adviser strongly prefers to acquire portfolio companies with talented core executive leadership already in place; Satori PE Adviser expects, however, that in many cases it will recruit other high-caliber leaders to complement a company’s existing executive team. Additionally, Satori PE Adviser favors investments in companies operating in industries where it has relevant operational expertise, namely: business services, consumer products, financial services, mature technology and telecom, e-commerce, and light manufacturing.

Satori PE Adviser provides advisory services to the Funds according to the investment objectives and strategies as set forth in each Fund’s offering materials and/or governing documents. Satori PE Adviser does not tailor its advisory services to the individual needs of any of the investors in the Funds.

Alternative Investments Strategy

Certain Relaying Advisers (*i.e.*, Satori Alpha Management, LLC, Satori Alpha GP, LLC, and Satori Thematic Partners GP, LLC) provide advisory services to two Funds that pursue the alternative investments strategy (*i.e.*, Satori Alpha, LP, Satori Alpha II, LP, and Satori Thematic Partners, LP). Relying Advisers providing advisory services to Funds pursuing the alternative investments strategy are sometimes referred to herein as the “**Satori Alpha Adviser**.”

Satori Alpha Adviser, on behalf of the Funds pursuing the alternative investments strategy, seeks to invest with professional money managers (“**Third-Party Managers**”) who employ a variety of investment strategies through their own pooled investment funds, funds of one, or on a managed account basis. Unlike investment funds that pursue a single strategy, Satori Alpha Adviser takes a concentrated, multi-manager approach in asset allocations to attempt first to enhance returns and second to mitigate risk. Satori Alpha Adviser, on behalf of the Funds, may

also directly pursue investment strategies pursued by the Third-Party Managers or opportunistically invest the Fund's assets directly (such investments in Third-Party Managers or directly in assets is referred to as the "**Investments**").

While each of its Funds pursuing the alternative investments strategy will follow the general strategies stated above, Satori Alpha Adviser may tailor the specific advisory services with respect to each Fund at Satori Alpha Adviser's discretion and based on the individual investment strategy of each Fund.

Investors in one of the Funds (Satori Alpha, LP) may, but are not obligated to, participate in each Investment (the "**Opt-In Investors**"). Investors in another Fund (Satori Alpha II, LP) have a choice between two (2) difference classes of interests depending on the size of its investment in the Fund – class A and class B. Investors in class A are Opt-In Investors. Investors in class B have no discretion to determine which Investments they invest in (such investors, the "**Discretionary Investors**" and together with the Opt-In Investors, the "**Investors**").

Because of the structure of the Funds pursuing the alternative investments strategy, each Investor will have a unique and different allocation of underlying Investments. Each Opt-In Investor will determine that allocation for itself. Satori Alpha Adviser will determine which Investments the Discretionary Investors invest in based on its understanding of each of the Discretionary Investor's investment objectives, diversification goals, and risk tolerances, as communicated by such Discretionary Investors. Satori Alpha Adviser's determination of appropriate Investments for each Discretionary Investor may be materially different than Satori Alpha Adviser's determinations with respect to any other Discretionary Investor and may be materially different than what such Discretionary Investor may otherwise have chosen for itself. While Satori Alpha Adviser takes into account the investment objectives, goals, and risk tolerances of the Discretionary Investors, it does not tailor its advisory services to the individual needs of any of the Investors in the Funds. Likewise, Investors may not impose restrictions on investing in certain securities or types of securities.

Satori Alpha Adviser, on behalf of the Funds pursuing the alternative investments strategy, will also cause those Funds to provide seed or acceleration capital to Third-Party Managers of other private investment funds in order to share in the management fees, performance allocations and other revenue income of these Third-Party Managers (the "**Seed Investments**"). In those instances, and as provided in more detail in Item 5, the Fund will receive a portion of those management fees, performance allocations and other revenue income with the remaining portion going to the Satori Alpha Adviser or its affiliates.

Hybrid Investments Strategy

Filing Adviser and certain Relying Advisers (i.e., Satori Crossover Partners GP, LLC) provide advisory services to two single purpose entities pursuing the hybrid investment strategy (Satori HWE, LP, and Satori Aspen Heights, LP). The Filing Adviser and the Relying Advisers providing advisory services to Funds pursuing the hybrid investment strategy are sometimes referred to herein as the "**Satori Hybrid Adviser.**" For purposes of simplicity, the single purpose entities pursuing the hybrid investment strategy are referred to as a Fund for purposes of this Brochure.

When a Satori Hybrid Adviser finds an investment opportunity that is compelling but does not otherwise fit within the private equity strategy or alternative investment strategy, the Adviser will generally form a single purpose entity to invest in such opportunity and the Satori Hybrid

Adviser will provide advisory services to that single purpose entity. Examples of investments that fall within the hybrid investment strategy currently include an investment in a business that develops and operates student housing and an investment in a business that provides investment banking services for hotels and real estate related businesses.

Satori Hybrid Adviser's clients are the single purpose entities. Satori Hybrid Adviser tailors its advisory services to the investment purpose of each single purpose entity. Satori Hybrid Adviser does not tailor its advisory services to the individual needs of investors in any of the single purpose entities.

For a more complete description of the Advisers' strategies and related risks, please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.

While all current clients of the Advisers are Funds, this Brochure has been prepared to provide meaningful information to the investors in those Funds. It should be noted that each Fund's clients and investors are sophisticated and generally known to have an informed understanding of investing in unregistered securities. The information that follows in this Brochure has been prepared with this intended audience in mind.

The Advisers do not participate in wrap fee programs.

As of December 31, 2021, the Advisers collectively manage regulatory assets under management of approximately \$695,123,952 on a discretionary basis, and \$780,533,375 on a non-discretionary basis.

Throughout this Brochure, we disclose a number of conflicts of interest and provide summaries of a number of our policies and procedures designed to detect and address these conflicts and others. We encourage current and prospective investors in our Funds to review our policies and procedures and inquire directly with us about our conflicts. Our compliance policies and procedures are available for review in our offices. In addition, conflicts of interest and specific risks are identified in the offering materials of Funds that we manage. Please request a copy of the relevant Fund's most current offering materials and/or governing documents for a description of other conflicts and risks that might exist.

ITEM 5 - FEES AND COMPENSATION

A. Fees and Compensation

Management Fees

As compensation for its advisory services, the Advisers receive an annualized quarterly management fee (the "**Management Fee**") as described below:

Private Equity and Hybrid Investments Strategies

For Funds that pursue a private equity strategy or a hybrid investment strategy, the Adviser charges a 2.0% Management Fee based on committed capital, capital invested, and/or the value of the underlying investments. The Adviser may waive or reduce the Management Fee in its discretion.

Alternative Investments Strategy

For Funds that pursue an alternative investments strategy, the Adviser charges a 1.0% Management Fee based on an investor's capital account plus, during the commitment period, the investor's uncalled capital commitment. The Adviser may waive or reduce the Management Fee in its discretion.

A more detailed description of the Management Fee borne by a particular Fund is available in the offering memorandum, subscription agreement, and/or governing documents of the respective Fund.

Performance Compensation

The Advisers or an affiliate receives performance compensation, as described below:

Private Equity and Hybrid Investments Strategies

For Funds that pursue a private equity strategy or a hybrid investment strategy, the general partner of a Fund receives a share of investment proceeds equal to 20% of the realized profits relating to realized investments of a Fund (the "**Carried Interest**"), after (i) a return of capital to the participating Investors equal to their capital committed to fund the investment (and in certain Funds or classes of interests within a Fund, previously disposed of investments or investments fully written off), (ii) a return of capital to the participating Investors equal to their capital committed to pay for fund expenses (e.g. organizational expenses, operating expenses and management fees) relating to such realized investment, and (iii) a cumulative preferred return, if applicable, to participating Investors. The general partner may waive or reduce the Carried Interest in its discretion. The Carried Interest of a Fund may be subject to an obligation to repay the Fund if, upon liquidation of the Fund, the cumulative Carried Interest distributions paid exceeds 20% (the "**Clawback**"). A more detailed description of the Carried Interest charged by the general partner of a Fund or its affiliate is available in the offering memorandum, subscription agreement, and/or governing documents of the respective Fund.

Alternative Investments Strategy

At the end of each fiscal year, the general partner of a Fund will be allocated an "**Incentive Allocation**" equal to 10% of the difference between each Investor's capital account as of that date and such Investor's "Maximum Capital Accounts" as of that date (the "**New Profit**"). For Opt-In Investors, New Profit may be calculated on an investment by investment basis rather than the Investor's total capital account. The general partner of a Fund may waive or reduce the Incentive Allocation in its discretion. Use of the Maximum Capital Accounts creates what is commonly known as a "high water mark" limitation. Thus, after the first fiscal year in which Incentive Allocation is earned, the Incentive Allocation for subsequent fiscal years only applies to the extent that an Investor's pro rata share of net profits measured on a cumulative basis, net of any losses, for all years since admission exceeds the highest level of such cumulative net profits achieved through the close of any prior fiscal year since admission. If an Investor makes a withdrawal at a time when its capital account balances are below their historic "high water mark" level, the level is ratably reduced to reflect such withdrawal.

With respect to an Investor who withdraws capital on a date other than the end of a fiscal year, the general partner will be allocated an Incentive Allocation as described above with respect to the withdrawal amount.

The amount of any Incentive Allocation attributable to an Investor will be apportioned among the Investments in which the Investor participates, based upon the general partner's reasonable determination of the relative amounts of profit and loss taken into account in determining the New Profit attributable to such Investments, and the amount so apportioned (and the corresponding portion of any Incentive Allocation) will be taken into account in determining the Investor's investment account for each such Investment.

A more detailed description of the Incentive Allocation charged by the general partner of a Fund or its affiliates is available in the offering memorandum, subscription agreement, and/or governing documents of the respective Fund.

Other Compensation

In addition to the fees above, with respect to any private equity Funds or hybrid investment strategy Funds, the Adviser or an affiliate may be entitled to receive and retain from the Funds or the underlying investment entity or portfolio company financing fees, recapitalization fees, break-up fees, transaction-related fees, directors' fees, monitoring fees, and fees for management, financial consulting, investment banking, advisory, and other services. Certain of the foregoing fees will accelerate and become due and payable in full upon the Fund's earlier sale or disposition of an investment or portfolio company. In certain circumstances, Management Fees may be reduced by a stated percentage of any such fees earned. A more detailed description of the other compensation is available in the offering memorandum, subscription agreement, and/or governing documents of the respective Fund.

With respect to Funds that pursue an alternative investments strategy, the Funds will make Seed Investments, and in return, receive a share of the management fees, performance allocations, and other revenue income received by these Third-Party Managers (the "**Seed Investment Revenue**"). The Adviser or an affiliate will generally be entitled to receive and retain up to fifty percent (50%) of any Seed Investment Revenue (*i.e.*, the percentage amounts allocated to the Adviser and/or its affiliate can vary among Seed Investments and may be less than fifty percent (50%) but will generally be fifty percent (50%)). In addition, the Adviser or an affiliate will receive its Incentive Allocation, if any, on the Seed Investment Revenue allocated to the Funds.

The Adviser and/or its affiliates will also provide consulting, advisory services, advice, and/or assistance to Third-Party Managers of other private investment funds in a non-seeding, non-acceleration situation (*i.e.*, in a non-Seed Investment situation), and in return receive a share of the management fees, performance allocations, and other revenue income received by these Third-Party Managers (the "**Revenue Stream**"). The Revenue Stream is solely for the account of the Adviser and/or its affiliates irrespective of whether a Fund invests in such private investment fund or with such Third-Party Manager. The Adviser and/or its affiliates are neither required to share any of the Revenue Stream with the Fund or any Investor in the Fund nor required to reduce the compensation received by the Adviser and/or their affiliates from the Fund by the amount of the Revenue Stream. Nonetheless, the Adviser may choose to share some of the Revenue Stream with a Fund. Any amount of Revenue Stream shared with a Fund will be determined in the sole discretion of the Adviser on a case-by-case basis.

Management Fee and other Compensation Waivers

Satori PE Adviser, Satori Hybrid Adviser and Satori Alpha Adviser (with respect to a closed-end Investment (*i.e.*, an Investment where a Fund pursuing the alternative investments strategy cannot redeem or withdraw from such Investment until such Investment liquidates)), may reduce in advance any Management Fee or other compensation described above in this Item 5 by an amount determined in the discretion of the Adviser (the amount reduced, the “**Fee Waiver**”), and such Fee Waiver will be designated on the books of a Fund as though the Adviser or its affiliates made a separate capital contribution in an amount equal to the Fee Waiver into one or more specific investments, as determined by the applicable Adviser in its sole discretion. In consideration for the Fee Waiver, the applicable Adviser will receive from a Fund a special distribution in an amount equal to the Fee Waiver only if the Fund actually receives distributions from such applicable investment(s) in excess of the amount the Fund contributed to such investment (*i.e.*, the special distribution is only from the profits (if any) from such investment). In addition to such special distribution, the Fund will also distribute the applicable Adviser’s share of proceeds from such investment(s) equal to the amount such Adviser would have received if the Adviser had actually contributed the Fee Waiver amount as a capital contribution to the applicable investment(s) for the applicable period. In other words, if an Adviser reduces its Management Fee or other compensation pursuant to a Fee Waiver so that the corresponding amount is treated as a capital contribution to the applicable investment on behalf of the Adviser, the Adviser will not only receive the amount of its Fee Waiver from distributions of profit (if any) on such investment but it will also receive its share of the gains (if any) on such underlying investment as though such Fee Waiver had actually been invested in the underlying investment. The Adviser is incentivized to make Fee Waivers in exchange for a designated capital contribution by the Adviser or its affiliates in investments the Adviser believes have the greatest potential upside. Fee Waivers will cause an additional part of the Investor’s upside (if any) in an investment to be allocated to the Adviser, which will give the Adviser a larger percentage of an Investor’s upside (if any) than the performance fees highlighted in this Item 5. If, however, an investment is not profitable, the Adviser will not receive any amounts with respect to its Fee Waiver and will permanently forfeit receiving any amounts for such Fee Waiver.

Fees are negotiated on a case-by-case basis.

- B. Management Fees are paid quarterly in advance out of current income and disposition proceeds of the Funds or from drawdowns of capital commitments. Performance compensation is made as indicated in Item 5.A. above. Since Investors are not permitted to withdraw their investments in the Funds focused on private equity strategies and hybrid investment strategies and Investors are not permitted to withdraw their investments in the Funds focused on the alternative investments strategy more frequently than quarterly, refunds of Management Fees are not available to Fund Investors.
- C. In addition to the compensation described in 5.A. above, the Funds may be subject to additional expenses as follows:

Private Equity and Hybrid Investment Strategies

The Funds will be responsible for the organizational and offering expenses of the Fund and its general partner (“**Organizational Expenses**”) up to a stated amount in some Funds, above which the Adviser will be responsible for any excess Organizational Expenses. Organizational Expenses borne by a Fund are amortized over a period of time, and each investor that invests

in such Fund during such amortization period will bear its pro rata portion of such Organizational Expenses. Organizational Expenses include the costs, fees and expenses associated with the organization of the Fund and the initial and ongoing offering of interests in the Fund including legal and accounting fees, administration costs, printing costs, travel fees and expenses related to the Fund's offering, filing fees (including any Form D and "blue sky" filing fees) and other out-of-pocket expenses related to compliance with any federal and state laws related to the Fund's organization and offering of interests.

Commissions of placement agents will not be considered Organizational Expenses, and such commissions will be the responsibility of the Adviser.

The Adviser will be responsible for all of its normal overhead expenses, including wages, salaries, rent, utilities, and other such expenses of the Adviser.

The Funds will be responsible for all expenses of each Fund which are not reimbursed by underlying investment entities, portfolio companies or other sources, including management fees; investor communication expenses; travel expenses for the advisory committee members; third party legal, audit, consulting, compliance, tax, financing, and accounting fees and expenses; third party expenses associated with the Fund's financial statements and tax returns; third party expenses and other out-of-pocket expenses related to compliance with laws, rules, regulations, or directives, including regulatory filings, blue sky filings, Form D, Form PF, U.S. Department of Treasury or U.S. Bureau of Economic Analysis or Federal Reserve Board forms, or any other similar filings; third party expenses and other out-of-pocket expenses related to government inquiries, investigations, or proceedings involving the Fund or the activities of the Funds; third party expenses associated with the identification, valuation, acquisition, costs of holding, and disposition of the Fund's investments; expenses of the Fund for unconsummated transactions; expenses of annual investors' meetings (other than travel and lodging, which shall be borne by the respective investors); expenses in connection with directors' and officers' liability and other insurance premiums purchased in connection with investments in portfolio companies; any taxes, fees, or other government charges levied against the Fund; all costs related to the Fund's indemnification obligations; extraordinary expenses, including litigation costs; any expenses of liquidating the Fund and any other expenses that relate to the affairs of the Fund, whether ordinary or extraordinary. A more detailed description of the expenses borne by a particular Fund is available in the offering memorandum, subscription agreement, and/or governing documents of the respective Fund. To the extent that expenses to be borne by the Funds are paid by the general partner of the Fund, the Adviser, or one of their affiliates, the Fund will reimburse such parties for such expenses.

For certain Funds, the Fund will be responsible for a stated percentage of any unreimbursed expenses associated with investments that are not consummated.

Alternative Investments Strategy

The Funds will be responsible for all Organizational Expenses up to a stated amount in some Funds, above which the Adviser will be responsible for any excess Organizational Expenses. Organizational Expenses borne by a Fund are amortized over a period of time, and each investor that invests in such Fund during such amortization period will bear its pro rata portion of such Organizational Expenses.

Commissions of placement agents will not be considered Organizational Expenses, and such commissions will be the responsibility of the Adviser.

The general partner of the Fund or the Adviser will provide and be responsible for paying all expenses relating to office space, equipment, supplies, telephone, salaries of in-house personnel and other services that are part of the day-to-day operation and supervision of the Funds. The general partner does not currently intend to use soft dollars but may do so in the future.

The Funds will be responsible for all expenses and costs incurred in the conduct of the Fund's business, other than those specifically noted as general partner or Adviser expenses above, including, without limitation the following (the "**Partnership Expenses**"): management fees; administration, accounting, audit, legal and other professional services, including: (i) financial and tax accounting, (ii) bookkeeping and reporting services, (iii) administrative services provided by any person on behalf of the Fund (e.g., the administrator of the Fund), (iv) the cost of any audit of the Fund's financial statements, and (v) expenses of legal counsel and any other litigation or investigation involving Fund activities; fees, costs and expenses (including legal fees and expenses) incurred for the Fund to comply with any applicable law, rule or regulation (including governmental filing fees and similar charges that may be incurred); fees, costs and expenses (including legal fees and expenses) incurred regulatory filings (e.g., Form ADV, Form PF, etc.) and fees, costs, and expenses of regulatory and compliance services provided by a third-party compliance services provider; the costs associated with maintaining "directors and officers" or similar liability insurance for the benefit of the Fund, the general partner, the Adviser or any other indemnified person; preparation of the Fund's financial statements, tax returns and related filings including Investors' Schedule K-1s; all costs, fees and expenses directly related to Investments and prospective Investments (whether or not consummated) of the Fund, including (i) fees and costs incurred in investing in Third-Party Managers; (ii) costs related to the purchase, sale, trade, custody, transfer, or insurance of Fund assets; (iii) costs incurred in purchasing, selling, or trading securities; (iv) brokerage commissions and other execution and transaction costs (including trade errors that are not a result of the Adviser's gross negligence); (v) interest on, and commitment fees and expenses arising out of, debt balances or borrowings; (vi) exchange, clearing and settlement charges; (vii) fees and expenses of any third-party providers of "back office" and "middle office" services relating to trade settlement; (viii) the general partner's and the Adviser's research and investment management expenses related to the Fund and its Investments and prospective Investments (whether or not consummated), which includes all due diligence related costs and expenses for conducting initial and ongoing due diligence investigations on current and prospective Third-Party Managers and Investments and travel-related costs incurred in conducting such initial and ongoing due diligence investigations of current and prospective Third-Party Managers and Investments (e.g., airfare, car rentals, taxi fares, meals, and lodging or accommodations at hotels); (ix) costs related to research software; (x) investment banking fees and expenses; (xi) custody fees; (xii) fees of consultants and finders relating to Investments or prospective Investments, including profit sharing arrangements or payments due to unaffiliated advisers, sub-advisers and consultants; and (xiii) the costs, fees and expenses of any appraisers, accountants, consultants or other experts engaged by the general partner or Adviser directly related to the Fund's Investments; travel-related costs incurred by the general partner or Adviser in conducting general investment and management operations related to the Fund outside of the general partner's or Adviser's business location (e.g., airfare, car rentals, taxi fares, meals, and lodging or accommodations at hotels); any withholding, transfer or other taxes imposed on the Fund; fees incurred in connection with the maintenance of bank or custodian accounts; costs associated with reporting and providing information to existing and prospective Investors; costs incurred in computing the value of the Fund's assets; costs and expenses in the termination, dissolution and winding up of the Fund; and Organizational Expenses.

The general partner of a Fund may in its discretion allocate any Partnership Expenses to a particular Investment to the extent the general partner determines that the Partnership Expenses relate solely to that Investment. In that event, such Partnership Expenses will be allocated pro rata among the Investors participating in such Investment based on their respective capital contributions allocated to that Investment.

A more detailed description of the expenses borne by a particular Fund is available in the offering documents, subscription agreement, and/or governing documents of the respective Fund. To the extent that expenses to be borne by the Funds are paid by the general partner of a Fund, the Adviser, or one of their affiliates, the Fund will reimburse such parties for such expenses.

Other than as described above, neither the Adviser nor any of its supervised persons receives any compensation from the sale of securities or other investment products.

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

As stated in Item 5 above, the Advisers or an affiliate will receive performance compensation. As a result, the Advisers may have a conflict of interest between their responsibility to manage the various Funds' investment portfolios and their interest in maximizing the performance compensation. For example, the performance compensation may create an incentive for the Advisers to make investments that are riskier and more speculative than would be the case in the absence of performance compensation. In addition, since the Advisers manage multiple Funds with similar investment strategies and/or different fee levels on a side-by side basis, the Advisers may have conflicts of interest in: (i) allocating their time and activity among the multiple Funds; (ii) allocating investments among the multiple Funds; and (iii) effecting transactions among the multiple Funds, including ones in which an Adviser, its principal(s), and/or affiliate(s) may have a greater financial interest. These conflicts of interest may create an incentive for the Advisers to favor one Fund in which the Advisers and its affiliates have a greater financial interest with respect to allocation of time and activity, limited investment opportunities, or investments that the Advisers regard as more attractive or better performing investments.

To address these conflicts of interest, the Advisers have implemented policies and procedures to ensure all Funds receive equitable and fair treatment over time with respect to the allocation of investment opportunities, based on all relevant factors (*e.g.*, capital commitments, available cash, investment appetite, strategy, strategy portfolio limitations, concentration, etc.).

ITEM 7 - TYPES OF CLIENTS

As mentioned in Item 4, the Advisers provide investment advisory services on a discretionary and non-discretionary basis to Funds investing in private equity strategies, alternative investments strategies, and hybrid investment strategies.

Investors in the Funds must be accredited investors within the meaning of Regulation D under the Securities Act of 1933, as amended, and, for certain Funds, qualified purchasers within the meaning of the Investment Company Act of 1940, as amended. Certain Funds remain generally closed to new investors. Generally, the minimum commitment by a limited partner to a Fund is \$1 million. However, the Adviser reserves the right to accept commitments of lesser amounts.

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

Introduction

Satori PE Adviser's advisory services include pursuing private equity strategies on behalf of three Funds as described more fully below. Satori Alpha Adviser's advisory services include pursuing an alternative investments strategy on behalf of two Funds. Satori Hybrid Adviser's advisory services include pursuing hybrid investment strategies on behalf of two Funds as described more fully below. The discussion below describes the methods of analysis and investment strategies utilized by the Advisers for the Funds. With respect to each strategy, the Advisers may sponsor Funds that apply different or overlapping investment criteria within the strategies, as more fully described in each Fund's offering memorandum and/or governing documents.

In addition, in certain circumstances, the Advisers may offer co-investment opportunities in individual private equity portfolio company investments and/or hybrid investment opportunities to the extent that the Advisers determine the size of an investment opportunity exceeds either (1) a Fund's investment limitations or (2) the amount the Adviser believes to be appropriate for a Fund to invest. In such situations, the Advisers may attempt to identify a strategic investor that can provide value beyond its financial investment and/or offer the excess investment to all Fund Investors pro-rata based on their capital commitments. Any such co-investment opportunities may be made through co-investment vehicles investing alongside the Funds.

Each Fund may borrow money under a subscription line of credit pending receipt of capital contributions from the Investors in that Fund. A Fund may pledge or assign to one or more lenders, as security for such indebtedness, the Fund's assets, including any capital commitments from investors, the right to make capital calls, and the right to enforce such capital calls.

Private Equity Strategy

Funds pursuing the private equity strategy focus on opportunities in the lower middle market, which Satori PE Adviser generally equates to businesses generating in the range of \$5 million to \$25 million of annual EBITDA; provided, however, those Funds may invest in businesses generating EBITDA outside of this range. Satori PE Adviser believes that mid-sized, owner-operated companies are particularly well suited to scaling through a sustainable approach. In addition, the investment dynamics for businesses of this size benefit from the market inefficiencies created due to the relatively few institutional investors and intermediaries operating in this space. This often leads to lower purchase price multiples for these businesses and the opportunity for significant multiple expansion through an exit or other liquidity event.

Based on the specific Fund mandate, Satori PE Adviser may have a Fund acquire equity, equity-related securities, debt securities, hybrid securities, or other securities and investments in businesses that operate or intend to operate in a sustainable manner and have the potential to provide long-term capital appreciation and cash flow generation. A Fund may acquire its securities through acquisitions, recapitalizations, loans, or restructurings, and may invest in corporations, limited liability companies, partnerships, trusts, or other types of entities.

Geographically, Satori PE Adviser intends to have a Fund make the majority of its investments in companies headquartered in the United States. The Southwest is a region where the Satori PE Adviser team has significant operating and investing experience, possesses a strong network of

senior executives in a variety of industries, and maintains deep relationships with other capital market participants, including investment bankers, business brokers, and capital providers. In addition, Satori PE Adviser considers this area a healthy, diversified, and business-friendly region with favorable population demographics and tax structures.

Satori PE Adviser prefers a Fund invest in businesses operating in industries where Satori PE Adviser team members have relevant experience and the potential to unlock significant value. These industries include, but are not necessarily limited to:

- * Business Services
- * Consumer Products
- * Financial Services
- * Mature Technology, Software, and Telecom
- * E-Commerce
- * Manufacturing and Distribution

Satori PE Adviser may also seek to have a Fund opportunistically invest in situations where it believes attractive risk/return dynamics exist regardless of size, stage, geography, and ownership amounts. Satori PE Adviser intends to leverage its network of relationships and operating experience to be proactive when a strong executive or management team is seeking a long-term capital partner. Additionally, Funds pursuing the private equity strategy may provide capital to other investment funds; these investments will most likely occur in partnership and limited liability company structures.

Conscious Capitalism and Sustainability

Satori PE Adviser strongly advocates and embodies the tenets of what it commonly refers to as conscious capitalism as a method of creating superior and sustainable long-term value. At the core of conscious capitalism is an emphasis on a company's mission and purpose, a stakeholder-centric approach to business, and the concept of steward leadership, where leaders view their role as a fiduciary of the company's resources, responsible for the well-being of its stakeholders. These tenets are central to Satori PE Adviser's activities throughout all phases of the investment process; they inform the Adviser's actions during investment origination and due diligence, and they guide the Satori PE Adviser team as it works to unlock value in the Funds' portfolio companies.

The "Sustainability Model" depicts the virtuous cycle enjoyed by a business that adheres to the tenets of conscious capitalism. The cycle revolves around a strong sense of mission and purpose that is highly motivating and provides a reason for all of the company's stakeholders to care deeply about the success of the enterprise. Satori PE Adviser believes that engaged employees are more productive and loyal, which leads to long-lasting and profitable relationships with customers, vendors, and suppliers, resulting in higher quality products and services and satisfied and enthusiastic customers. Deeply satisfied customers are more loyal and profitable. Profits enable the firm to provide active support to the community and the environment, which endears the business to its customers, neighbors, and regulators and builds a strong base of supporters that make the company more resilient in the face of adversity. In Satori PE Adviser's view, the end result is that long-term investors reap tremendous financial rewards and the company's steward leaders are provided with the necessary capital to keep the cycle in motion, resulting in a compounding of the cycle's benefits with each turn.

Sustainability in Action

Satori PE Adviser deeply integrates the principles of sustainability into all of its activities and procedures. Its investment process combines comprehensive strategic, financial, and operational analyses with an equally rigorous sustainability analysis. Specifically, Satori PE Adviser looks closely at how a company relates to all of its stakeholders: employees, customers, partners, suppliers, shareholders, as well as the community and environment.

This additional layer of analysis, which many private equity investors often minimize or ignore, provides added insight regarding the quality of a company's management and culture and brings into focus a prospective investment's true risks and potential. Satori PE Adviser believes that sustainably run businesses are better managed, more innovative, less risky, and better positioned to deliver superior performance over the long-term. The Adviser selects its investments based on this approach and strongly encourages its portfolio companies to operate accordingly. Satori PE Adviser is also committed to increasing awareness for the virtues of sustainable practices, both in practice and through the Satori Foundation, which is dedicated to supporting sustainability causes around the world.

Investment Sourcing

The objective of Satori PE Adviser's outreach efforts is to establish the Funds pursuing the private equity strategy as the preferred capital partner for companies building long-term value through a sustainable approach. Marketing and business development are core competencies of the Adviser, and Satori PE Adviser considers its efforts in these areas to be critical to the Funds' success. Accordingly, Satori PE Adviser devotes significant resources to identifying and capitalizing on its best sources of new investment opportunities. Satori PE Adviser's skills in this area, when combined with its team's diverse backgrounds and robust networks, should continue to supply considerable high-quality investment opportunities.

Through significant operating and investing experience, the members of the Satori PE Adviser team have built strong networks of senior executives in a variety of industries. In addition, they have developed deep relationships with financial intermediaries, as well as debt, venture capital, and private equity funds. These networks should prove to be fruitful sources of investment opportunities.

The Adviser also employs an innovative approach to reach out directly to companies that meet the Funds' investment criteria. In addition, members of the Satori PE Adviser team have held or currently hold leadership positions in organizations such as Young Presidents' Organization (YPO) and various non-profits and community groups; these organizations should continue to be excellent sources of investment opportunity for the Funds. Furthermore, members of the Satori PE Adviser team are frequently asked to speak at events and conferences organized by members of the sustainable business community. The exposure that results from these events is another fruitful source of investment opportunities for the Funds.

Satori PE Adviser's Investment Committee (the "**PE Investment Committee**") will assist the Satori PE Adviser in investing and monitoring the assets of the Funds. The PE Investment Committee's responsibilities include establishing investment strategies, guidelines and processes, approving all investments proposed by the Funds, and monitoring the performance of the Funds' investments. The Funds will obtain errors and omissions liability insurance for the members of the PE Investment Committee.

Alternative Investments Strategy

Funds pursuing the alternative investments strategy generally invest in Third-Party Managers. The Third-Party Managers manage the Fund's assets through their own private investment funds, funds of one, or in separate managed accounts. No assurance can be made that Satori Alpha Adviser will allocate Investments in the manner anticipated or that Satori Alpha Adviser will be successful in selecting Third-Party Managers that yield consistent, or above average, risk adjusted returns. Satori Alpha Adviser also makes opportunistic direct investments on behalf of the Funds from time to time. The Funds will make Seed Investments in Third-Party Managers in order for the Funds and Satori Alpha Adviser and/or its affiliates to share in Seed Investment Revenue as described in Item 5.

Satori Alpha Adviser's Investment Committee (the "**SA Investment Committee**") will assist the Adviser in investing and monitoring the assets of the Funds. The SA Investment Committee's responsibilities include establishing investment strategies, guidelines and processes, approving all investments proposed by the Funds, and monitoring the performance of the Funds' investments. The Funds will obtain errors and omissions liability insurance for the members of the SA Investment Committee.

Investments with Third-Party Managers

Satori Alpha Adviser has created a diversified fund of investment managers based on its principals' experience of finding Third-Party Managers that it believes will achieve an asymmetric risk-return profile over the longer term. Third-Party Managers are hired who have experience in a wide variety of asset classes and styles including undervalued assets, long/short equity, credit, volatility-driven strategies, high frequency trading, foreign exchange, distressed securities, fixed income, commodities, energy, municipal bonds, real estate, biotech, venture capital, marinas, mortgage and other asset-backed securities, digital currencies / cryptocurrencies and blockchain assets, equity volatility trading, and event-driven equity and debt, among others. The Fund will be active in emerging economies as well as developed markets, and intends, through the Third-Party Managers, to invest across a range of financial instruments, including, but not limited to equities, debt instruments, derivatives, securities, and currencies. Through Third-Party Managers, the Fund may engage in short selling, margin trading, and the purchase and sale of options and other derivatives, which have inherent risks.

In allocating assets, Satori Alpha Adviser will seek to opportunistically allocate capital among its underlying Investments. Satori Alpha Adviser intends to take an opportunistic approach where it will seek to reduce capital allocations to strategies it believes are overcapitalized and seek out emerging strategies that may have greater opportunities for capital appreciation. Because market inefficiencies may have shorter durations given the competitive nature of private investment funds' capital allocation strategies, the Funds have not set specific diversification guidelines. Satori Alpha Adviser will continually assess optimal strategy and allocations.

Satori Alpha Adviser tends to favor investments with specialist Third-Party Managers in a variety of strategies, and also favors investments in strategies that are designed to be non-directional with respect to traditional equity and fixed income markets. Satori Alpha Adviser selects Third-Party Managers based on the management team's integrity and experience, their track record, risk management, and back office capability. Third-Party Managers are granted full discretion to trade according to their style, experience and expertise. Risk limits may be agreed to beforehand with Third-Party Managers, however, Third-Party Managers may fail to

adhere to these risk limits or other problems may arise because markets are inherently risky. The Fund may also invest in opportunities that require a relatively longer investment period than those pursued by more liquid multi-manager funds. Satori Alpha Adviser believes that, notwithstanding the longer investment period, these funds will provide greater risk adjusted returns.

Although absolute return is a primary goal of the Funds, effective risk management and capital preservation are also critical. Satori Alpha Adviser will review the prior performance of each Third-Party Manager, where available, to look for evidence of effective risk management and capital preservation, particularly during periods of excess market volatility. Should Satori Alpha Adviser determine that a Third-Party Manager's style, strategy, business, fund, etc. no longer meets its objectives, Satori Alpha Adviser may terminate the Funds' investment for Discretionary Investors and recommend to the Opt-In Investors that they terminate their investment in part or in whole with the Third-Party Manager. Assets will not necessarily be invested in any or all of the strategies mentioned, and a Fund's holdings may consist of significant amounts of cash or cash-equivalents from time-to-time.

Direct Investments

Satori Alpha Adviser has the discretion to invest Fund assets directly and, in that event, expects to do so in treasuries, fixed income products, currencies, digital currencies / cryptocurrencies, equities and equity-related securities (such as options, Exchange Traded Funds as well as over-the-counter derivatives including credit default swaps). Satori Alpha Adviser may directly pursue any investment strategy in a Fund that an underlying Third-Party Manager may pursue.

Opportunistic Private Investments

Satori Alpha Adviser has the discretion to invest Fund assets in investments and Third-Party Managers that pursue non-public market investments, such as investments in venture capital, non-public companies, hard assets (*e.g.*, real estate, mineral rights, ranches, and marinas) and other unique asset classes.

Hybrid Investment Strategy

Funds pursuing the hybrid investment strategy generally invest in investment opportunities that Advisers become aware of but do not otherwise fit within the private equity strategy or alternative investments strategy. Satori Hybrid Adviser will generally form a single purpose Fund to invest in such opportunity and Satori Hybrid Adviser will provide advisory services to that single purpose Fund. Based on the specific Fund mandate, Satori Hybrid Adviser may have a Fund acquire equity, equity-related securities, debt securities, hybrid securities, or other securities and investments in businesses. A Fund may acquire its securities through acquisitions, recapitalizations, loans, or restructurings, and may invest in corporations, limited liability companies, partnerships, trusts, or other types of entities.

Examples of investments that fall within the hybrid investment strategy currently include an investment in a business that develops and operates student apartment buildings and an investment in a business that provides investment banking services for hotels and real estate related businesses.

Risk of Loss

Investing in securities, whether through the private equity strategy, alternative investments strategy, or hybrid investment strategy, involves the risk of loss, which Investors should be prepared to bear. The investments and strategies pursued by the Advisers and the Funds involve a high degree of business and financial risk that can result in substantial losses, as described below. The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in any investment in any of the Funds, including the general business and regulatory risks of investments in private investment funds, operational risks, general market risks, general credit risks, liquidity risks, tax risks and other risks. A more detailed description of the risks involved in investing is available in the offering materials, subscription documents, and/or governing documents of the applicable Fund.

Risks associated with all strategies:

The following list of risk factors exist for the Private Equity Strategy, Alternative Investments Strategy, and Hybrid Investment Strategy. The use of the term Adviser(s) in these risks refer to the Satori PE Adviser for the Private Equity Strategy, Satori Alpha Adviser for the Alternative Investments Strategy, and the Satori Hybrid Adviser for the Hybrid Investment Strategy, and the term Fund(s) refers to the Funds pursuing the Private Equity Strategy, Alternative Investments Strategy, and/or Hybrid Investment Strategy, where applicable.

Reliance on Our Professionals. The success of a Fund will depend in large part upon the skill and expertise of the Advisers, its affiliates, and their professionals, and there can be no assurance that any individual professional will continue to be associated with the Advisers. The ability to recruit, retain and motivate qualified professionals is dependent in part on the Advisers' ability and that of its affiliates to offer attractive incentive opportunities to its professionals. There is significant competition among alternative asset firms, financial institutions, private equity firms, investment managers, and other industry participants for hiring and retaining qualified investment professionals. Should any of our professionals join or form a competing firm, become incapacitated or in some other way cease to participate in investment activities of the Advisers, the Funds' performance could be adversely affected.

Competition for Investments. The Funds compete for investment opportunities with funds and other investment vehicles having similar investment objectives. The activity of identifying, completing and realizing attractive investments is highly competitive, and involves a high degree of uncertainty. Potential competitors include other investment partnerships, corporations, business development companies, strategic industry acquirers, family offices, and other financial investors investing directly or through affiliates. Some of these competitors may have more relevant experience, greater financial resources, and more personnel than the Advisers or its affiliates. It is possible that competition for appropriate investment opportunities may increase, thus reducing the number of opportunities available to the Funds and adversely affecting the terms upon which investments can be made. In addition, a substantial number of private investment funds exist, which creates a significant amount of capital available for investment in such opportunities.

Insufficient Investment Opportunities. Although the Advisers have been successful in identifying suitable investment opportunities in the past, a Fund may be unable to find a sufficient number of attractive opportunities at appropriate prices to meet its investment objectives.

Potential Lack of Diversification. While diversification is generally a Fund objective, there is no assurance as to the degree of diversification that will actually be achieved in a Fund's investments. Because a substantial portion of certain Funds' capital could be invested in a single portfolio company, one or more Third-Party Managers, or a single asset, a loss with respect to any single portfolio company, Third-Party Manager, or asset could have a significant adverse effect on a Fund's returns. Even if a Fund achieves significant diversification, such diversification would not necessarily provide meaningful risk control, and would reduce a Fund's profit potential if certain investments were unprofitable while others are profitable. Furthermore, it is always possible that one or more Third-Party Managers might take positions opposite that of other Third-Party Managers such that any potential gains might be effectively offset. Moreover, despite the intent of Adviser to select Third-Party Managers whose styles have tended to result in low correlation with one another, it is possible that virtually all Third-Party Managers might together suffer losses during certain time periods, resulting in substantial losses to a Fund or minimize a Fund's ability to achieve overall profits while failing to reduce exposure to significant losses.

Cybersecurity Risk. As the use of technology, particularly internet-based programs and data storage applications, increases, the Advisers and the Funds may be more susceptible to operational risks through breaches of information and technology systems or through breaches of third-party service providers that hold its information and/or have access to its technology systems. The Advisers, its service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect the Funds and their Investors, despite the Advisers' efforts and those of its service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of the Advisers' computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to the Funds and their Investors. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to the Advisers' systems and those of its service providers or counterparties or data within these systems. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of the Advisers' systems to disclose sensitive information in order to gain access to the Advisers' or a Fund's data or that of a Fund's Investors. Whether intentional or unintentional, a cybersecurity breach may cause the Advisers and its affiliates, Funds, underlying Third-Party Managers, or portfolio companies to lose proprietary information, suffer data corruption or expose information to misuse. Unauthorized access could lead to physical damage to a computer or network system, loss or theft of Investors' funds, the inability to access electronic systems, a failure to maintain the confidentiality and privacy of sensitive information (including the loss of Investors' confidential or personal information), loss of capabilities essential to the Advisers', the Funds', Third-Party Manager's and/or the portfolio company's operations, financial losses from remedial actions, loss of business, reputational harm or potential liability. Cybersecurity risks also result in ongoing preventative measures and compliance costs.

Leverage. The Advisers have the authority to cause a Fund to use borrowed funds from banks and/or brokerage account margin for making investments or for short-term cash flow to fund investments, including, without limitation, through a subscription line of credit pending receipt of capital contributions from Investors. A Fund may pledge or assign to one or more lenders, as security for such indebtedness, the Fund's assets, including any capital commitments from Investors, the right to make capital calls, and the right to enforce such capital calls. If a Fund becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to the Fund's assets generally and may not be limited to any particular investment or asset, such as the investment giving rise to the liability. Each Fund has obtained a subscription line of credit and may obtain other credit facilities, and as such, the Investors may, if necessary, be

required to: (i) confirm to such lender the terms of their capital commitments; (ii) honor drawdowns made by a lender consistent with the terms of the credit agreement; (iii) provide financial information as may be required by such lender; and (iv) execute and deliver such documents as may be required in order to obtain such credit facility. For purposes of clarity, any such credit facility may remain outstanding after payment of the relevant capital contributions.

The use of borrowed funds creates the opportunity for greater total returns, but at the same time involves certain risks. Because any decline in the value of a Fund's investments would be borne entirely by its Investors, the effect of leverage in a declining market would result in a greater decrease in capital than if a Fund was not leveraged.

To the extent a Fund borrows in advance or in lieu of capital contributions, its Investors will make correspondingly later or smaller capital contributions. Also, to the extent a Fund borrows to facilitate distributions of proceeds from an investment, Investors will receive distributions earlier. As a result, the use of borrowed funds can impact calculations of the fees and Carried Interest / Incentive Allocation a Fund's Adviser receives, as these calculations depend on the amount and timing of capital contributions and distributions of proceeds. In addition, use of borrowed funds at times will impact the calculation of certain net performance metrics that the Advisers typically present in a Fund's periodic reports.

Risks associated with our Private Equity Strategy and Hybrid Investment Strategy:

The following list of risk factors exist for our Private Equity Strategy and our Hybrid Investment Strategy. The use of the term Adviser(s) in these risks refer to the Satori PE Adviser for the Private Equity Strategy and the Satori Hybrid Adviser for the Hybrid Investment Strategy, and the term Fund(s) refers to the Funds pursuing the Private Equity Strategy and/or the Hybrid Investment Strategy, where applicable.

Illiquidity of Investments. A Fund's investments generally will be illiquid and not readily marketable, and the transferability of such investments generally will be restricted under the terms of the documents governing such investments. There can be no assurance that a Fund will be able to liquidate a particular interest in any investment or portfolio company at the time and upon the terms it desires. Less marketable or illiquid investment positions may be more difficult to value than more marketable assets, due to the unavailability of reliable market comparables and other factors. The ability of a Fund to exit and achieve liquidity on its investments is dependent in large part on the condition of and valuations available in the public equity markets and valuations available in private negotiated transactions at the time, neither of which can be projected with any certainty. The sale of less marketable securities or other assets may require more time and result in lower prices, due to higher brokerage charges or dealer discounts and other selling expenses, than the sale of more marketable assets. The disposition of illiquid assets may involve distributions in-kind to Investors.

Reliance on the Management of Portfolio Companies. Although the Adviser intends to ensure that Fund portfolio companies have strong management teams and/or to assist in enhancing management teams, there can be no assurance that any portfolio company's management team will be able to operate successfully.

Uncertainty Regarding Investments. Although the Adviser dedicates substantial time and resources to conduct appropriate due diligence prior to making an investment, the due diligence process is subjective at times, is generally required to be undertaken on an expedited basis and/or

on the basis of imperfect information in order to take advantage of available investment opportunities. The due diligence process also at times requires the Adviser to rely on the limited resources available to it, including information provided by the target of the investment and third-party consultants, legal advisers, accountants and investment banks. As a result, there can be no assurance that an Adviser's due diligence investigation will reveal or highlight all relevant facts that are necessary or helpful in evaluating such investment opportunity. The Adviser's due diligence investigations cannot ensure the success of any Fund's investments.

Ability to Manage Rapid Growth. The Adviser expects certain portfolio companies to grow rapidly. Rapid growth often places considerable operational, managerial, and financial strain on a business. To successfully manage rapid growth, a Fund's portfolio companies must, among other things, rapidly improve, upgrade, and expand their business infrastructures, deliver services and products on a timely basis, maintain levels of service expected by clients, and customers, and maintain adequate levels of liquidity. The financial returns of a Fund will suffer if a Fund's portfolio companies are unable to successfully manage their growth.

Uncertainty of Financial Projections. The Adviser generally establishes the capital structure of companies in which a Fund invests on the basis of financial projections for such companies. Projections are only estimates of future results that rely upon assumptions made at the time that the projections are developed. There can be no assurance that a portfolio company will achieve its projected results, and actual results can vary significantly from the projections. General economic and market conditions, which are not predictable, can have a material adverse impact on the reliability of projections.

Failure of Investors to Fund Capital Commitments. If Investors fail to fund their capital commitments or make required capital contributions when due, a Fund's ability to complete its investment program or otherwise continue operations may be substantially impaired. Although a Fund may have sufficient initial capital commitments, a default by a substantial number of Investors would limit the Fund's opportunities for investment diversification and likely would reduce returns to the Fund. In addition, if an Investor fails to pay when due installments of its capital commitment to a Fund, the Fund may be unable to pay its obligations when due. As a result, a Fund may be subjected to significant penalties with respect to an investment and such default could materially adversely affect the returns to all Investors. Moreover, if an Investor defaults, it will be subject to various remedies as provided in the Fund's governing document, including without limitation, forfeiture of some or all of its interest in the Fund.

Additional Capital Requirements of Portfolio Companies. Certain of a Fund's portfolio companies will require additional follow-on investments to satisfy their working capital requirements or growth or acquisition strategies from time to time. In addition, a Fund may have the opportunity to increase its investment in a successful portfolio company. Each round of follow-on investment is typically intended to provide a portfolio company with enough capital to reach the next major corporate milestone, and the amount of such additional follow-on investment will depend upon the maturity and objectives of the portfolio company. There is no assurance that a Fund will be able to make a follow-on investment or that a Fund will have sufficient capital to make all of the follow-on investments that it desires. Any decision by a Fund not to make a follow-on investment or its inability to make such investments may have a substantial negative impact on a portfolio company in need of such investment or may result in a lost opportunity for a Fund to increase its participation in a successful portfolio company. Even if a Fund is able to make a follow-on investment, if the funds provided are not sufficient, a portfolio company may have to raise additional capital at a price unfavorable to the existing investors, including a Fund. A Fund also may make additional debt and equity investments or exercise warrants, options or

convertible securities it acquired in the initial investment in a portfolio company in order to preserve a Fund's proportionate ownership when a subsequent follow-on investment is planned, or to protect a Fund's investment when a portfolio company's performance does not meet expectations. The availability of capital is generally a function of capital market conditions that are beyond the control of a Fund or any portfolio company. There can be no assurance that the Adviser will be able to predict accurately the future capital requirements necessary for success or that additional funds will be available from any source.

Operating and Financial Risks of Portfolio Companies. Companies in which a Fund invests could deteriorate as a result of, among other factors, an adverse development in their business, a change in the competitive environment, or an economic downturn. As a result, companies which a Fund expected to be stable may operate, or expect to operate, at a loss or have significant variations in operating results, may require substantial additional capital to support their operations or to maintain their competitive position, or may otherwise have a weakened financial condition, or be experiencing financial distress.

Bankruptcy of Portfolio Companies. A Fund may make investments in portfolio companies that may experience financial difficulties and become insolvent or file for bankruptcy protection. Various laws in connection with such bankruptcy proceedings could operate to the detriment of a Fund. There is also a risk that a court may subordinate a Fund's investment to other creditors or require a Fund to return amounts previously paid to it by a portfolio company that became insolvent or files for bankruptcy, a risk that could increase if the Fund has management rights in such portfolio company.

Risks Associated with Publicly Traded Securities. From time to time a Fund may invest in publicly traded securities and hold publicly traded securities following a partial exit from an investment. Investments in securities of publicly traded companies are sensitive to general movements in the stock market and trends in the overall economy. Moreover, the ability of portfolio companies to refinance debt securities may depend on their ability to sell new securities in the public high yield debt market or otherwise.

Junior Investments. A Fund may be among the most junior investors in a portfolio company's capital structure and thus subject to the greatest risk of loss. Further, there may be no collateral to protect an investment once made; if an investment is secured by collateral, such collateral may not be sufficient to protect a Fund.

Bridge Financings. From time to time, a Fund will lend to one of its properties or investments on a short-term, unsecured basis in anticipation of a future issuance of more permanent, long-term equity or debt securities. However, for reasons not always in a Fund's control, such long-term securities may not be issued, and such bridge loans may remain outstanding. If that happens, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by a Fund.

Non-Controlling Investments. A Fund may hold less than 50% of the outstanding voting interests of a portfolio company or hold investments in debt instruments or other securities that do not entitle the Fund to voting rights, and, therefore, has a limited ability to protect its investment in such portfolio company. In such cases, a Fund will typically be significantly reliant on the existing management, board of directors and other shareholders of such portfolio companies, who generally will not be affiliated with the Advisers or the Fund, and whose interests at times will conflict with the interests of the Fund.

Risk of Leverage. Certain Fund's investments are in portfolio companies whose capital structures have significant leverage. Although a Fund will seek to use leverage in a prudent manner, the leveraged capital structure of such investments will increase the exposure of the portfolio companies to adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the condition of the portfolio companies or their industries. The incurrence of significant indebtedness could also subject such portfolio companies to restrictive covenants, terms and conditions the violation of which would be viewed by creditors as an event of default and which could require the prepayment of debt, and if the portfolio company is unable to make such prepayment, could result in bankruptcy of the portfolio company. Any such restrictive covenants, terms and conditions could also limit such portfolio companies' ability to respond to changing industry conditions, make necessary capital expenditures, obtain additional financing, take advantage of growth opportunities or engage in strategic acquisitions.

Leverage may be incurred at the level of a Fund, a portfolio company or a special purpose vehicle formed to invest in or hold one or more portfolio companies.

In addition, a Fund may enter into contractual arrangements, including deferred purchase price payments, staged funding obligations, earn outs, milestone payments, and equity commitment letters and other forms of credit support, that obligate it to fund amounts to special purpose vehicles, portfolio companies or other third parties.

Availability of Financing. A Fund's ability to invest in portfolio companies often depends on the availability and terms of any borrowings that are required or desirable with respect to such investments. For example, from time to time the market for private investment transactions has been adversely affected by a decrease in the availability of senior or subordinated financings for transactions. A decrease in the availability of financing (or an increase in the interest cost) for leveraged transactions, whether due to adverse changes in economic or financial market conditions or a decreased appetite for risk by lenders, would impair a Fund's ability to consummate these transactions and would adversely affect a Fund's returns.

Investments in Operating Turnarounds. In some cases, the success of a Fund's investment strategy will depend in part on the Adviser's ability to restructure and improve the operations of a portfolio company. As there can be no assurance that the Adviser will be able to successfully identify and implement restructuring programs and improvements, an investment with a turnaround strategy may not be successful.

Liabilities upon Disposition. In connection with the disposition of an investment in a portfolio company, a Fund is typically required to make representations about the business and financial affairs of the portfolio company typical of those made in connection with the sale of any business and may be responsible for the content of disclosure documents under applicable securities laws. A Fund will likely also be required to indemnify the purchasers of such investment or underwriters to the extent that any such representations or disclosure documents turn out to be inaccurate. These arrangements often result in contingent liabilities of a Fund.

Third-Party Involvement. Funds co-invest from time to time with third parties through joint ventures or other entities. These investments involve risks in connection with such third-party involvement, including the possibility that a third-party co-investor or co-venturer has financial, legal or regulatory difficulties that negatively affect the investment, has economic or business interests or goals that are inconsistent with those of a Fund or is 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

circumstances in which third parties involve a management group, such third parties typically receive compensation arrangements relating to such investments, including incentive compensation arrangements or fees based on the value of assets managed.

Controlling Interests and Provision of Managerial Assistance. Because of its equity ownership, representation on the board of directors and/or contractual rights, a Fund is often considered to control, participate in the management of or influence substantially the conduct of portfolio companies. The exercise of control over a company imposes additional risks of liability for environmental damage, product defects, pension and other fringe benefits, failure to supervise management, violation of laws and governmental regulations (including securities laws) and other types of liability, for which the limited liability generally afforded to Investors may be ignored. If these liabilities were to arise, a Fund may suffer a significant loss, exposing the assets of a Fund to claims by a portfolio company, its other security holders, its creditors or governmental agencies, which may exceed the value of a Fund's initial investment in that portfolio company. While the Adviser intends to reduce exposure to these risks to the extent practicable, the possibility of successful claims cannot be precluded.

Contingent Liabilities. From time to time, a Fund will incur contingent liabilities in connection with an investment. For example, a Fund may enter into agreements pursuant to which it assumes responsibility for default risk presented by a third party. In connection with the disposition of an investment in a portfolio company, a Fund may be required to make representations about the business and financial affairs of that company typically made in connection with the sale of assets or a business and may be responsible for the content of disclosure documents under applicable securities laws. A Fund may also be required to indemnify the purchasers of the investment to the extent such representations or disclosure documents turn out to be inaccurate. These arrangements often result in contingent liabilities, which will be borne by the Fund. A Fund may incur numerous other types of contingent liabilities, and there can be no assurance that such Fund will adequately reserve for their contingent liabilities or that such liabilities will not have an adverse effect on a Fund. A Fund's Investors may be required to return amounts distributed to them to Fund obligations, including indemnity obligations.

Ability to Exit Investments Successfully. The ability of a Fund to achieve successful and profitable exits of its investments may be affected by a number of factors prevailing at the time, including general economic conditions, interest rates, availability of capital, interest levels of strategic and financial buyers, and cyclical trends. It is difficult to predict with any certainty whether there will be a ready and willing market of buyers for any particular investment at the time a Fund seeks a realization.

Risks associated with our Alternative Investments Strategy and certain Hybrid Investment Strategies:

The following list of risk factors exist for the Alternative Investments Strategy and the Hybrid Investment Strategy. The use of the term Adviser(s) in these risks refer to the Satori Alpha Adviser for the Alternative Investments Strategy and the Satori Hybrid Adviser for the Hybrid Investment Strategy, where applicable, and the term Fund(s) refers to the Funds pursuing the Alternative Investments Strategy and/or the Hybrid Investment Strategy where applicable.

Use of Third-Party Managers. Adviser seeks to invest with Third-Party Managers who employ a variety of investment strategies through joint ventures, their own pooled investment funds, funds of one, or on a managed account basis. A Third-Party Manager may deviate from its contractually committed investment policies or otherwise generate losses that the Funds have

not hedged. In addition, such investments may be subject to certain limitations on liquidity, and the Funds could consequently be unable to withdraw capital from such investment except at contractually specified times. Third-Party Managers will earn management fees and/or performance fees and Adviser does not offset or reduce its management fee and/or incentive fee for the Fund by the management fees and/or performance fees paid to the underlying Third-Party Managers. When a Fund invests with a Third-Party Manager, it does not have custody of any securities. Although Adviser makes every effort to verify the integrity of its Third-Party Managers, there is the risk that the general partners or employees of such Third-Party Manager could mishandle or abscond with the securities or funds (or both) of that Third-Party Manager.

Third-Party Manager's Investment Selection and Trading Skills. The investment returns of Funds will be largely dependent upon a Third-Party Manager's skill in selecting particular investment positions and successfully executing their stated strategies. Third-Party Managers have complete discretion to invest and trade the assets they manage, based on their own analysis and judgment. In making investment decisions, a Third-Party Manager may rely on information and data provided and prepared by third parties, including issuers of securities. A Third-Party Manager will not always be in a position to confirm the completeness, genuineness, or accuracy of such information and data. Further, there can be no assurances that a Third-Party Manager's investment and trading decisions will be profitable over any particular period or at all.

Liquidity. If an Investor wants to withdraw amounts invested into a Fund that are attributable to an investment in a private fund or other pooled investment vehicle managed by Third-Party Manager, such withdrawal may only be made by providing written notice to Adviser that the Adviser actually receives at least five (5) business days prior to the date by which a Fund must make the corresponding withdrawal request to the underlying fund or vehicle. This will require Investors to not only track their liquidity eligibility and notice periods in a Fund but also the Fund's liquidity eligibility and notice periods in the Fund's underlying investments in pooled vehicles, as well, and Investors may not always have the information they need to properly track a Fund's liquidity eligibility and notice periods in the Fund's underlying investments. The organizational documents of such underlying funds or other pooled investment vehicles may impose additional limitations on withdrawal, which may be more restrictive than the withdrawal limits imposed by the Funds.

Some private funds or other pooled investment vehicles managed by a Third-Party Manager do not have the ability to withdraw capital, and an Investor will not be able to withdraw or reduce its investment in such funds or other pooled investment vehicles. Additionally, some investments may lack liquidity due to the illiquid nature of the investment (such as private debt) as well as due to underlying private funds or other pooled investment vehicles managed by Third-Party Managers having the right to suspend payment of withdrawals under certain circumstances, as well as investors, including the Funds, being subject to lock-ups, gates and redemption fees. Furthermore, a Fund may have an inability to exit underlying funds or other pooled investment vehicles of Third-Party Managers because of among other things, poor performance by such underlying funds or volatility in the markets in which such funds invest.

Certain underlying private funds invest in or hold illiquid securities and these underlying funds will not allow withdrawals with respect to these illiquid securities. Furthermore, despite the heavy volume of trading in securities, markets for some securities may have or develop limited liquidity. This lack of liquidity could be a disadvantage to the Funds and Third-Party Managers both in the realization of the prices which are quoted and the execution of orders at desired prices. In addition, certain types of securities such as non-investment grade debt securities,

small capitalization stocks, securities issued by real estate investment trusts, and emerging market securities are subject to the risk that the securities may not be sold at the quoted market price within a reasonable period of time. A pooled investment vehicle holding such securities may experience substantial losses if required to liquidate these holdings. Satori Alpha Adviser has broad discretion in categorizing an investment as an illiquid or impaired investment. Capital corresponding to illiquid or impaired investments cannot be withdrawn.

Due to the illiquid nature of many of the investments which the Funds and the Third-Party Managers make, Adviser and Third-Party Managers may be unable to predict with confidence what, if any, exit strategy will ultimately be available for any given core position. Exit strategies which appear to be viable when an investment is initiated may be precluded by the time the investment is ready to be realized due to economic, legal, political or other factors.

Layering of Fees. The amount of fees payable by an Investor in a Fund may be deemed significant. Investors are responsible for the Fund's costs and expenses, the Management Fees and Carried Interest / Incentive Allocation and the costs, management fees and performance allocations corresponding to Third-Party Managers in which the Funds invest. It is also possible that some of these Third-Party Managers may invest in other pooled vehicles or joint ventures such that Investors also pay indirectly the fees and performance allocations of the managers of such entities since the performance realized by the Fund is net of fees already deducted from the performance by the Third-Party Managers at the other fund level.

Seed Investments. Funds pursuing the alternative investments strategy will make Seed Investments in Third-Party Managers, and in return, receive a share of the Seed Investment Revenue received by these Third-Party Managers. The Fund and Satori Alpha Adviser (or its affiliates) split the Seed Investment Revenue as provided in Item 5 of this Brochure. Satori Alpha Adviser (or its affiliates) will also receive Incentive Fees, if any, on the Seed Investment Revenue allocated to the Fund. Satori Alpha Adviser is incentivized to invest more of the Fund's capital with Third-Party Managers that provide Seed Investment Revenue to Satori Alpha Adviser and/or its affiliates. In addition, Satori Alpha Adviser and/or its affiliates expect that it will, from time to time, introduce investors to Third-Party Managers to which the Funds have provided seed or acceleration capital and from which Satori Alpha Adviser or its affiliates receive Seed Investment Revenue. Satori Alpha Adviser and its affiliates will have a conflict of interest in making such introductions because the amount of Seed Investment Revenue that Satori Alpha Adviser and/or its affiliates receive depends, in part, on the amount of capital managed by the Third-Party Manager.

Non-Seed Advisory Services. Satori Alpha Adviser and/or its affiliates will also provide consulting, advisory services, advice, and/or assistance to Third-Party Managers in a non-seeding, non-acceleration situation (*i.e.*, in a non-Seed Investment situation), and in return receive compensation or a share of the Revenue Stream received by these Third-Party Managers. As provided in Item 5 of this Brochure, Satori Alpha Adviser is not required to share any compensation or Revenue Stream with a Fund but may nonetheless choose to share some with a Fund. Satori Alpha Adviser is incentivized to invest more of the Fund's capital with Third-Party Managers that provide Revenue Stream or other compensation to Satori Alpha Adviser and/or its affiliates

Distinct Investor Portfolios. Investors in the Funds pursuing the alternative investments strategy will participate in different underlying investments and in different percentages than other Investors in the Funds. Such diverse Investors and distinct portfolios of Investments create conflicting investment, tax, and other interests relating to, among other things, the nature

of Investments made by the Fund, which Investors participate in such Investments, the structuring of the acquisition of such Investments and the timing of disposition of such Investments. As a result, conflicts will arise in connection with decisions made by Satori Alpha Adviser with respect to the Fund's Investments and by Satori Alpha Adviser with respect to which Discretionary Investors will invest in an Investment and how much each Discretionary Investor will invest in such Investment. In selecting, structuring and managing Investments appropriate for the Fund, Satori Alpha Adviser will generally consider the investment and tax objectives of the Fund as a whole, not the investment and tax objectives of any Investor individually. Likewise, in selecting Investments appropriate for each Discretionary Investor, Satori Alpha Adviser will determine in its sole discretion what it believes are appropriate Investments for each Discretionary Investor based on interactions between Satori Alpha Adviser's and its affiliates' employees and such Discretionary Investor, and therefore its determination of appropriate Investments and investment objectives for each Discretionary Investor may be materially different than what such Investor itself believes or may otherwise have chosen. In certain circumstances, an Investment result may be more advantageous to some Investors than to other Investors. Despite the foregoing, expenses for those Investments will still be borne pro rata by all of the Investors that invest in such Investment. In addition, Satori Alpha Adviser's time and attention may, from time to time, be disproportionately spent focusing on Investments that would be more advantageous to one group of Investors than on Investments advantageous to another group of Investors.

Discretionary Investor Portfolio Determinations. Discretionary Investors will have no discretion to determine which underlying Investments they invest in through a Fund. Conflicts of interest could arise in the allocation of Investments to Discretionary Investors given the subjective nature of the terms applicable to Discretionary Investors. In addition, there is a risk that a Discretionary Investor does not accurately or adequately communicate its investment objectives, goals, diversification needs, and risk tolerances in a way that will allow Satori Alpha Adviser to properly allocate Investments to that Discretionary Investor. Each Discretionary Investor is obligated to provide Satori Alpha Adviser with all information the Discretionary Investor considers applicable to the Adviser's determination of what Investments (and how much of a particular Investment) should be allocated to such Discretionary Investor and update such information as appropriate from time to time.

Cross Transactions. From time to time, Satori Alpha Adviser may determine that an actual or deemed sale of an interest in an Investment from one Investor account to another is in the best interests of both Investors. For example, an Investor may request a redemption from an underlying Investment at the same time another Investor is contributing capital to such underlying Investment in which case the Fund may just make a book entry in its books and records reflecting the redemption and contribution to the extent such amounts offset, but not actually redeem capital from or contribute additional capital to the underlying Investment. Likewise, an Investor may request a redemption from an Investment prior to the time that Investor could otherwise redeem from such Investment and another Investor may simultaneously want to contribute capital to such Investment, in which case the Fund may just make a book entry in its books and records reflecting the redemption and contribution to the extent such amounts offset, but not actually redeem capital from or contribute additional capital to the underlying Investment, or the Fund may effect an actual sale of the interest in such Investment from one Investor to another Investor. While these transactions with related parties are expected to expand the universe of opportunities that are available to a Fund and the Investors, a Fund will not necessarily derive a benefit from each such transaction, and a Fund and the other party to a particular transaction may have divergent interests. Moreover, there

may be uncertainties regarding the valuation of Investments that are subject to these transactions.

Leverage. Third-Party Managers may utilize “financial leverage” through the use of margin debt or futures and “economic leverage” through the use of swaps, repurchase agreements, or similar techniques. Use of leverage increases the potential volatility of the Fund’s investments. The cumulative effect of the use of leverage in a market that moves adversely to the investments could result in a substantial loss to a Fund, which would be greater than if leverage was not used. Leverage will increase the exposure of a Fund to adverse economic factors such as significantly rising interest rates, severe economic downturns or a deterioration in the condition of the investments or their corresponding markets.

Risks of Certain Investment Strategies. Third-Party Managers and Adviser employ traditional hedge fund strategies whose performance is intended to be non-correlated with major financial market indices. Although Adviser believes that these strategies may mitigate losses in generally declining markets, there can be no assurance that losses will be avoided. Investment strategies that have historically been non-correlated or demonstrated low correlations to one another or to major world financial market indices may become correlated at certain times, such as during a liquidity crisis in global financial markets. During such periods, certain hedging strategies may cease to function as anticipated. Absolute return strategies generally emphasize hedged positions rather than non-hedged positions in securities and derivatives in an effort to protect against losses due to general movements in market prices; however, no assurance can be given that such hedging will be successful or that consistent absolute returns will be achieved. Particular investments being made through a Third-Party Manager may also be made directly by a Fund and the risks related to those investments apply equally to those investments when they are made directly by a Fund rather than through a Third-Party Manager. Risks associated with some of these strategies are outlined below:

Equity Long/Short: This investment strategy may likely involve a net long bias or a net short bias, and significant losses may be incurred in the event of a decline or rise in the security markets. Conversely, the “fully-hedged” approach could cause the Funds’ performance to lag behind market indices in the event of sharply rising markets.

Short Selling. Hedged transactions often involve the short selling of securities. Securities that are the subject of high levels of short sales may be particularly volatile and rise quickly under conditions known as a “short squeeze.” Such price increases can cause short sellers to sustain significant losses. Although any short selling may be accompanied by long positions in the same or other securities, short selling exposes greater risks due to the theoretical lack of an upper limit on the price to which a security may rise.

Event-Driven Investments. The primary risk of event-driven investment strategies is that the expected event may not occur which could lead to a negative impact on the price of the security and fail to produce the anticipated gains, thereby resulting in losses.

Distressed Securities. Investment in the securities of financially and operationally troubled issuers may be considered speculative and may present a potential for substantial loss. The characteristics of these companies can cause their securities to be particularly risky, although they also may offer the potential for high returns. The prices of these securities fall in anticipation of the financial distress when their holders choose to sell rather than remain invested in a financially troubled company. These companies’ securities may be considered speculative, and the ability of the companies to pay their debts on schedule

could be affected by adverse interest rate movements, changes in the general economic climate, economic factors affecting a particular industry or specific developments within the companies. When a fund invests in distressed securities in anticipation of a future turnaround, the fund takes on credit and liquidity risk while waiting for the securities to appreciate in value after a restructuring or other transaction is complete. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled companies, there is a potential risk of loss of the entire investment in such companies.

Emerging Markets. Investing in emerging markets involves a significant amount of market timing. While returns from positive years can be exceptional, failure to exit a particular market in time may result in large losses. Many emerging markets also have limited liquidity which evaporates during times of crisis, making hedging more difficult. There is also some exposure risk due to a lack of hedging techniques available in many emerging markets (e.g., the use of short sale and derivatives instruments for hedging is not always possible), although Third-Party Managers may be able to hedge by resorting to over the counter instruments such as equity swaps or warrants. In addition, bonds issued in some emerging markets are below investment grade and are subject to downgrade and even default. This leads to widening of credit spreads and losses in the bond values. Investments in foreign financial markets also present political, regulatory and economic risks which are significant, and which may differ in kind and degree from the risks presented by investments in the U.S. financial markets. These may include changes in foreign currency exchange rates or controls, greater price volatility, differences in accounting standards and policies, and in the type and nature of disclosures required to be provided by foreign issuers, controls on foreign investment, and limitations on repatriation of invested capital.

Relative Value Strategies. The success of a relative value investment depends on the ability of the relevant Third-Party Manager to exploit relative mispricing among interrelated instruments. Although relative value positions are considered to have a lower risk profile than directional trades as the former attempt to exploit price differentials not overall price movements, relative value strategies are by no means without risk. Mispricing, even if correctly identified, may not converge within the time frame within which the Fund maintains its positions. Even pure “riskless” arbitrage, which is rare, can result in significant losses if the arbitrage is not able to be sustained (due, for example, to margin calls) until expiration. The Fund’s relative value strategies are subject to the risks of disruptions in historical price relationships, the restricted availability of credit and the obsolescence or inaccuracy of its or third-party valuation models. Market disruptions may also force the relevant Third-Party Manager to close out one or more positions. Such disruptions have in the past resulted in substantial losses for funds employing relative value strategies.

Convertible Arbitrage. The use of certain “market neutral” or “relative value” hedging or arbitrage strategies in no respect should be taken to imply that such strategies are without risk. Substantial losses may be recognized on “hedge” or “arbitrage” positions, and illiquidity or default on one side of a position can effectively result in the positions being transformed into an outright speculation. Every relative value strategy involves exposure to second-order risk of the market such as liquidity or other factors that could cause the positions to diverge.

Fixed Income Arbitrage. The main risks depend on duration, credit exposure and the degree of leverage employed by the investment manager. All fixed income instruments

are subject to interest rate risk because they are inversely related to interest rates and a sudden shift in the yield curve will adversely impact the straight bond value. Long term risk is also present as the strategy benefits most during periods of high long-term rates where it is long as to the long end of the term structure and short as to the short end of the market. There is also correlation or “tail” risk in the event, however unusual, of a sudden breakdown of the historical correlation patterns in the fixed income market. Risk is also present because fixed income arbitrageurs are usually short credit spreads where losses occur if these spreads widen. There can also be liquidity risk because these strategies are usually short liquidity in that they are long liquid issues and short less liquid ones.

Merger Arbitrage. The principal risk associated with investments in mergers or other reorganizations is that, after the investment, the proposed reorganization may be renegotiated, terminated or involve a longer time frame than originally contemplated, in which case losses may be realized. After the announcement of such a merger or other reorganization, securities of the target may trade at less than the full value implied by the transaction. This discount reflects uncertainty about the completion of the reorganization and its timing or the perceived market value of the securities of the surviving entity.

Derivative Transactions. Third-Party Managers are expected to use options, swaps (including total return swaps and credit default swaps), futures, and other derivative transactions which generally include complex derivative instruments which seek to modify or replace the investment performance of particular securities, commodities, currencies, indices or markets on a leveraged or unleveraged basis. Derivative instruments, or “derivatives,” include instruments and contracts that are derived from and are valued in relation to one or more underlying securities, commodities, indices or other assets. Derivatives typically allow an investor to hedge or speculate upon the price movements of the underlying asset at a fraction of the cost of acquiring, borrowing or selling short such asset. Accordingly, derivatives may have very high leverage embedded in them which can substantially magnify market movements and result in losses greater than the amount of the investment. The value of a derivative depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to derivatives trading.

Over-the-Counter Options. Third-Party Managers may as a direct investment strategy or as part of a risk management strategy, buy or sell (write) both call options and put options including selling options on an uncovered or “naked” basis. A Third-Party Manager’s options transactions may be part of a hedging tactic or a form of leverage, in which the Third-Party Manager has the right to benefit from price movements in a large amount of securities with a small commitment of capital. These activities involve risks that can be large, depending on the circumstances. When a Third-Party Manager buys an option, a decrease (or inadequate increase) in the price of the underlying security in the case of a call, or an increase (or inadequate decrease) in the price of the security in the case of a put, it could result in a total loss of the Third-Party Manager’s investment in the option (including commissions). When a Third-Party Manager sells (writes) a call option, an increase in the market price of the security above the exercise price would deprive the Third-Party Manager of the opportunity for gain on the underlying security, assuming it bought the security for less than the exercise price. If the price of the underlying security were to drop below the exercise price, the premium received on the option (after transaction costs) would provide profit that would reduce or offset any loss that may be suffered as a result of owning the security.

When a Third-Party Manager sells a put option that is covered with a short position in the underlying security, a drop in the security's price below the exercise price would deprive the Third-Party Manager of some or all of the opportunity for profit on the short position, assuming the fund sold short for more than the exercise price. If the price of the underlying security were to increase above the exercise price, the premium on the option (after transaction costs) would provide profit that would reduce or offset any loss the Third-Party Manager might suffer in closing out its short position.

If a Third-Party Manager sells (writes) an uncovered call option, the Third-Party Manager bears the risk of an increase in the market price of the underlying security above the exercise price. This risk is theoretically unlimited unless the option is "covered." If it is covered, an increase in the market price of the security above the exercise price would deprive the Third-Party Manager of the opportunity for gain on the underlying security assuming the Third-Party Manager bought the security for less than the exercise price. If the price of the underlying security were to drop below the exercise price, the premium received on the option (after transaction costs) would provide profit that would reduce or offset any loss the fund might suffer as a result of the Third-Party Manager owning the security. The seller of an uncovered put option theoretically could lose the entire aggregate exercise price of the option, if the underlying security were to become valueless. When the underlying security falls in price, the Third-Party Manager would be forced to either buy back the put at a much higher price than it received for selling it or accept assignment of the underlying security at expiration of the option term. The risk of writing uncovered calls is considered greater than writing uncovered puts, as the value of the underlying security could increase by more than 100% yet it can only fall 100%. If the underlying security increases in price, the Third-Party Manager would be forced to either buy back the call at a much higher price than it received for selling it or would be required to deliver the underlying security which it would be required to buy at the higher price.

Because the option premiums received or paid by the Third-Party Managers are small in relation to the value of the underlying security, trading options can result in a large amount of leverage. Thus, leverage produced by options trading could cause a fund's net asset value to fluctuate more frequently and more widely than an investment fund that does not trade in options.

Swaps. Third-Party Managers may enter into swaps with financial intermediaries as part of its investment activities. A swap is an agreement between two parties whereby cash payments periodically are exchanged based upon changes in the price of an underlying asset (such as an equity security, an index of securities or another asset or group of assets with a readily determinable value). Swaps and other derivatives are subject to the risk on non-performance by the swap counterparty, including risks relating to the financial soundness and creditworthiness of the swap counterparty. Swaps and other forms of derivative instruments are not guaranteed by an exchange or clearing house and the swaps markets historically were not regulated by any U.S. or foreign government authority, although in the United States, certain swaps (currently credit default index swaps and interest rate swaps) are subject to margining, clearing, and reporting requirements and certain market participants are subject to registration as swap dealers and/or major swap participants. It may not be possible to dispose of or close out a swap or other derivative position without the consent of the

counterparty, and a fund may not be able to enter into an offsetting contract in order to be able to cover its risk. In addition, in valuing derivative instruments it is anticipated that a fund will typically rely on quotes or other information provided by such counterparties. Other risks associated with swaps include the following: (i) market risk that the performance of the underlying assets, exchange rates or indices will decline; (ii) credit risk that the dealer or other counterparty to the transaction will fail to pay its obligations (since swaps generally are not traded or cleared by an exchange or clearinghouse); (iii) volatility risk that, if interest or exchange rates change adversely, the value of the derivative instrument will decline more rapidly than the assets, rates or indices on which it is based; (iv) liquidity risk that a Third-Party Manager will be unable to sell a derivative instrument when it chooses because of lack of market depth or market disruption; (v) pricing risk that the value of a derivative instrument will not correlate exactly to the value of the underlying assets, rates or indices on which it is based or may be difficult to determine because of a lack of reliable objective information and an established secondary market; and (vi) operations risk that loss will occur as a result of inadequate systems and controls, human error or otherwise. Many of these instruments are proprietary products that have been recently developed by investment banking firms, and it is uncertain how they will perform under different economic and interest rate scenarios. Absent a netting agreement, in the event of default by counterparty, a Third-Party Manager may lose any collateral posted with respect to the swap, in addition to the amount it would have received from the swap as well as the cost of replacing the position, if possible, perhaps under adverse market conditions. The U.S. federal income tax treatment of swap agreements and certain other derivatives as described herein is unclear and there is a risk that a portion of any long-term capital gain attributable to such investments could be treated as ordinary income.

Credit Default Swaps. A Third-Party Manager may enter into credit default swap agreements. A credit default swap is a derivatives contract under which one party pays a fixed amount on a periodic basis in exchange for the payment by the other party of an amount equal to the depreciation in the value of the reference security upon the occurrence of the bankruptcy or certain other event with respect to the issuer of such reference security. The “buyer” in a credit default contract is obligated to pay the “seller” a periodic, stream of payments over the term of the contract provided no event of default has occurred. In the event of default, the seller must pay the buyer the “par value” (full notional value) of the reference obligation in exchange for the reference obligation. A Third-Party Manager may be either the buyer or seller in the transaction. If a Third-Party Manager is a buyer and no event of default occurs, the Third-Party Manager loses its investment and recovers nothing. However, if an event of default occurs, the buyer receives full notional value for a reference obligation that may have little or no value. As a seller, a Third-Party Manager receives a fixed rate of income throughout the term of the contract, provided there is no default event. If an event of default occurs, the seller may pay the notional value of the reference obligation. The value of the reference obligation received by the seller, coupled with the periodic payments previously received may be less than the full notional value it pays to the buyer, resulting in a loss of value to the Third-Party Manager. Credit default swaps involve greater risks than if a Third-Party Manager had invested in the reference obligation directly. In addition to general market risks, credit default swaps are subject to illiquidity risk, counterparty risk and credit risks. The swap

counterparties with which a Third-Party Manager does business may encounter financial difficulties, fail, or otherwise become unable to meet their obligations. Any such development would impair the operational capabilities of a Third-Party Manager or cause damaging losses, or even complete loss, of the capital of the affected portfolio.

Futures. Futures markets are highly volatile and are influenced by factors such as changing supply and demand relationships, government policies and programs, national and international economic, political, global and weather-related events, including changes in money supply and interest rates. Because the good faith deposits required in futures trading are very low, typically 2-15% of the face value of the contract, the leverage is extremely high, providing the potential for large losses from relatively small price movements. Futures positions also are marked to market daily and variation margin payments, which may be high during volatile periods, must be paid by the Third-Party Manager. No assurance can be given that a liquid market will exist for any particular futures contract at any particular time. Many futures exchanges and boards of trade limit the amount of fluctuation permitted in futures contract prices during a single trading day. Once the daily limit has been reached in a particular contract, no trades may be made that day at a price beyond that limit or trading may be suspended for specified periods during the trading day. Futures contract prices could move to the limit for several consecutive trading days with little or no trading, preventing prompt liquidation of futures positions and potentially subjecting the Third-Party Manager to substantial losses. Successful use of futures also is subject to the Third-Party Manager's ability to predict correctly movements in the direction of the relevant market, and, to the extent the transaction is entered into for hedging purposes, to determine the appropriate correlation between the transaction being hedged and the price movements of the futures contract. The CFTC and various exchanges also impose speculative position limits on the number of positions the Third-Party Manager may hold in certain futures, which may affect the Third-Party Manager's profitability.

Physical Commodities. A Third-Party Manager may trade directly in physical commodities, including precious metals, forestry products, agricultural products, electricity, natural gas, coal and crude and refined oil products contracts, some of which may require the delivery of each of the foregoing. Since the Third-Party Manager will typically not itself engage in the production of any of these commodities, the Third-Party Manager will be required to purchase such commodities from third parties in order to fulfill its obligations under such contracts unless such contracts are cash settled. The Third-Party Manager may be liable to third parties for damages if the Third-Party Manager is unable to fulfill its obligations to deliver commodities for any reason, including transportation or transmission failures or default by a third-party supplier.

Small and Medium Capitalization Stocks. A Third-Party Manager may invest in companies with small- to medium-sized market capitalizations. While they may often provide significant potential for appreciation, those stocks (particularly smaller-capitalization stocks) involve higher risks in some respects than do investments in stocks of larger companies. For example, prices of small-capitalization and even medium-capitalization stocks are often more volatile than prices of large-capitalization stocks and the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to investors) is higher than for larger, "blue-chip" companies. In addition, due to thin

trading in some small-capitalization stocks, an investment in those stocks may be considered illiquid.

Opportunistic/Macro Investing. Unlike traditional investing, in which investment decisions may be based entirely on the fundamental financial condition of an issuer, opportunistic investing relies on the ability of the Third-Party Manager to identify trends in the market, to invest in such trends before the rest of the market, and then sell before a trend ends. Opportunistic investing can be very volatile and involve significant short-term trading. Short-term trading can generate high trading costs and produce gains taxable at higher rates.

Equity Market Neutral. A major drawback to an equity market neutral strategy is the number of transactions required to maintain the position hedged, which could prove costly both in terms of funds allocated and tax considerations. Although this strategy generally results in very low correlation with the equities market, a possible sudden breakdown of the historical correlation patterns due to a highly volatile market environment can lead to substantial losses, particularly during a market crisis. Liquidity risk may also be present if a Third-Party Manager is trading in small cap stocks. If liquidity were to dry up in the markets, small cap stocks are usually the first to be affected and their bid/ask spreads widen leading to losses. In addition, a manager's heavy reliance on quantitative pricing models can lead to the identification of wrong opportunities among a certain number of stocks. Some stocks that are held long can go down in value; others that are sold short can go up.

Fixed Income Risks. The value of fixed income securities generally will vary inversely in relation to changes in prevailing interest rates. Thus, if interest rates have increased from the time a debt or other fixed income security was purchased, such security, if sold, might be sold at a price less than its cost. Conversely, if interest rates have declined from the time such a security was purchased, such security, if sold, might be sold at a price greater than its cost. Also, the value of such securities may be affected by changes in real or perceived creditworthiness of the issuers. Thus, if creditworthiness is enhanced, the price may rise. Conversely, if creditworthiness declines, the price may decline.

Credit Risk. Credit risk is the risk that the issuer of a fixed income security will not be able to pay principal and interest when due. Rating agencies assign credit ratings to certain fixed income securities to indicate their credit risk. The price of a fixed income security will generally fall if the issuer defaults on its obligation to pay principal or interest, the rating agencies downgrade the issuer's credit rating or other news affects the market's perception of the issuer's credit risk.

Liquidity Risk. Certain fixed income securities carry a liquidity risk since those securities rely on the secondary market. There can be no assurance that future levels of supply and demand in fixed income security trading will provide an adequate degree of liquidity or that the current level of liquidity will continue. No assurance can be given that a Third-Party Manager will be able to sell a loan whose obligor has deteriorated in credit quality.

Asset-Backed Securities. The risks of investing in asset-backed securities are similar to the risks generally associated with investing in bonds and other fixed-income instruments. Like all fixed income securities, the prices of fixed rate asset-backed securities move in response to changes in interest rates. Fluctuations in interest rates affect floating rate asset-backed securities prices less than fixed rate

securities, as the index against which the asset-backed securities rate adjusts will reflect interest rate changes in the economy. Furthermore, interest rate changes may affect the prepayment rates on underlying loans that back some types of asset-backed securities, which can affect yields. Payment of interest and repayment of principal on asset-backed securities may be largely dependent upon the cash flows generated by the assets backing the securities and, in some cases, by certain credit enhancements. The value of these securities may also be affected by the creditworthiness of the servicing agent for the pool, the originator of the loans or receivables, or the entities providing the credit enhancement.

Mortgage-Backed Securities. A Third-Party Manager may invest in mortgage-backed securities (“MBS”), including commercial mortgage-backed securities and residential mortgage-backed securities. Such Third-Party Manager’s investments in MBS may include subordinated tranches of these types of securities. The investment characteristics of MBS differ from traditional debt securities. Among the major differences are that interest and principal payments are made more frequently, usually monthly, and that principal may be prepaid at any time because the underlying mortgage loans or other assets generally may be prepaid at any time. When market interest rates increase, the market values of MBS decline. At the same time, however, mortgage refinancings and prepayments slow, which lengthens the effective maturities of these securities. As a result, the negative effect of the rate increase on the market value of MBS may be more pronounced than it is for other types of fixed-income securities.

High Yield Securities. High yield or “junk” bonds are low-rated debt obligations of the issuer and usually present greater risk of loss of income and principal than higher rated bonds, particularly over shorter time frames. A Third-Party Manager will invest in these securities when they offer opportunities for capital appreciation (or capital depreciation in the case of short positions). “Junk” or non-investment grade debt securities in the lowest rating categories may involve a substantial risk of default or may be in default. Adverse changes in economic conditions or developments regarding the individual issuer are more likely to cause price volatility and weaken the capacity of the issuers of non-investment grade debt securities to make principal and interest payments than issuers of higher grade debt securities. An economic downturn affecting an issuer of non-investment grade debt securities may result in an increased incidence of default. In addition, the market for lower grade debt securities may be thinner and less active than for higher grade debt securities.

Municipal Bonds. A municipal bond is a debt security issued by a state, municipality or county to finance its capital expenditures. Municipal bonds are generally exempt from federal taxes and from most state and local taxes. The ability of municipal issuers to make timely payments of interest and principal may be diminished during general economic downturns and as governmental cost burdens are reallocated among federal, state and local governments. State constitutions or laws may limit the taxing powers of any governmental entity and an entity’s credit will depend on many factors, including the entity’s tax base, the extent to which the entity relies on federal or state aid, and other factors beyond the entity’s control. Issuers of municipal securities may seek protection under Chapter 9 of the U.S. Bankruptcy Code. Although similar to other bankruptcy proceedings in some respects, municipal bankruptcy is significantly different in

that it does not contemplate liquidation of the assets of the municipality and distribution of the proceeds to creditors. Municipalities must voluntarily seek protection under bankruptcy; creditors cannot commence municipal bankruptcy proceedings. Due to limitations placed upon the power of the bankruptcy court in Chapter 9 cases, the bankruptcy court generally is not as active in managing a municipal bankruptcy case as it is in corporate reorganizations. The bankruptcy court cannot appoint a trustee nor interfere with the municipality's political or governmental powers or with its properties or revenues, for example by ordering reductions in expenditures, increases in taxes or sales of property, without the municipality's consent. In addition, the municipality can continue to borrow in the ordinary course without bankruptcy court approval if it is able to do so without affecting the rights of existing creditors. Neither creditors nor courts may control the affairs of the municipality indirectly by proposing a readjustment plan that would effectively determine the municipality's future tax and spending decisions, so a Third-Party Manager's influence over any bankruptcy proceedings would be very limited. In the event of bankruptcy of a municipal issuer, a Third-Party Manager could experience delays in collecting principal and interest and may not be able to collect all principal and interest to which it is entitled. Revenue bonds issued by state or local agencies to finance the development of low-income, multi-family housing involve special risks in addition to those associated with municipal securities generally, including the risk that the underlying properties may not generate sufficient income to pay expenses and interest costs. These bonds are generally non-recourse against the property owner, may be junior to the rights of others with an interest in the properties, may pay interest that changes based in part on the financial performance of the property, may be prepayable without penalty and may be used to finance the construction of housing developments which, until completed and rented, do not generate income to pay interest. Additionally, unusually high rates of default on the underlying mortgage loans may reduce revenues available for the payment of principle or interest on such mortgage revenue bonds.

Sovereign Debt. A Third-Party Manager may invest in debt securities issued by governments and their agencies, including governments of emerging markets. Investing in instruments of government issuers in emerging and other markets may involve significant economic and political risks. Holders of certain emerging market instruments may be requested to participate in the restructuring and rescheduling of these obligations and to extend further loans to their issuers. The interests of holders of emerging market instruments could be adversely affected in the course of restructuring arrangements. Sovereign debt rated below investment grade by a nationally recognized bond rating organization is regarded as predominantly speculative with respect to the issuer's capacity to pay interest and repay principal in accordance with the terms of the obligations.

Convertible Securities. Third-Party Managers may invest in convertible securities. These securities are senior to common stocks in a corporation's capital structure but are usually subordinated to similar nonconvertible securities. The market value of publicly-traded convertible debt securities tends to vary inversely with the level of interest rates; in other words, the value of the security declines as interest rates increase and increases as interest rates decline. Although under normal market conditions longer term debt securities have greater yields than do shorter-term debt securities of similar quality, they are subject to greater price fluctuations. A convertible security may be subject to redemption at the

option of the issuer at a price established in the instrument governing the convertible security. If a convertible security held by a Third-Party Manager is called for redemption, the Third-Party Manager will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third party.

Exchange Traded Funds, Mutual Funds and Other Stock Funds. Third-Party Managers may invest in exchange traded funds (“ETFs”), mutual funds (open and closed-end) and other stock funds from time to time. ETFs represent shares of ownership in either funds or unit investment trusts that hold portfolios of common stocks, bonds or other instruments, which are designed to generally correspond to the price and yield performance of an underlying index. In this manner, ETFs are similar to open-ended index mutual funds. However, ETFs are traded like stocks on stock exchanges. Accordingly, although investments in mutual funds and ETFs are subject to similar risks, ETFs have certain unique risks not shared by mutual funds. A primary risk factor relating to ETFs is that the general level of stock or bond prices may decline, thus affecting the value of an equity or fixed income ETF, respectively. An ETF may also be adversely affected by the performance of the specific sector or group of industries on which it is based. Moreover, although ETFs are designed to provide investment results that generally correspond to the price and yield performance of their underlying indices, ETFs may not be able to exactly replicate the performance of the indices because of various sources of tracking error, including the expenses associated with ETFs and a number of other factors. Some additional risks of investments in stock funds and ETFs include the following:

Stock Fund Trading. It is possible for the value of stock funds to fall or to rise more slowly than the stock market as a whole even when stock prices in general are rising. Risk is also involved in fund selection. Unlike open-ended mutual funds, ETFs may potentially trade above or below the value of their underlying portfolio of stocks or commodities. While most ordinary mutual funds can only be bought or sold at the end of the day at the calculated net asset value of the fund, ETFs may be purchased or sold throughout the day at prices that are not guaranteed to match the underlying value of the stocks or commodity prices in the portfolio. Accordingly, a Manager could be exposed to corrective forces if it inadvertently purchases an ETF at a premium to the underlying value of the ETF assets.

Trading Costs. Investing in ETFs may result in higher trading costs than would be the case in investing in mutual funds. ETFs are ordinarily purchased from brokers whereas mutual funds may be purchased directly by an investor. As a result, a fund will pay a commission each time it purchases an ETF. In addition, like trading in stocks, trading in ETFs is subject to “slippage” where there is a spread between the bid price and the ask price of an ETF, which is tantamount to a hidden charge.

Limitations on Mutual Fund Exchange. The number of mutual funds that allow for frequent and unrestricted trading is limited, and the selection of mutual funds into which a Third-Party Manager would be able to invest in accordance with its trading strategies would therefore be limited to that extent.

Distributions from Funds. Stock funds generally distribute their taxable gains in the form of a dividend near year end (although, because ETFs generally have a lower portfolio turnover than mutual funds, ETFs are expected to produce comparatively fewer gain-generating transactions). The share price of the stock fund would generally drop by a corresponding amount on the ex-dividend date of the distribution. Such distributions are made on a pro rata basis without regard to

the actual gains or losses an individual fund shareholder may have sustained. As a result, investors who have real economic gain less than the amount of the dividend may then have a motivation to sell those stock fund shares to claim the drop-in share price as a capital loss and thereby offset the income distribution. A further complication is that wash sale rules require that the investor not re-invest for 31 days in order to claim the capital loss deduction. Accordingly, tax strategies employed by other investors may increase the price volatility of stock fund shares and of securities owned by such funds at times near to the distribution of such a dividend.

Closed-end Funds. Closed-end funds are a form of mutual fund that have a fixed number of shares and are typically listed on a major stock exchange. These funds customarily trade at a discount, sometimes a deep one, to their net asset value (NAV) with the expectation that the prices will subsequently increase toward their NAV. Because closed-end funds are traded in the open market, there is the risk that only a limited number of shares may trade each day. This could expose a Third-Party Manager to the possibility of being unable to liquidate a particular fund or having to accept artificially depressed prices in order to liquidate a large position. In addition, the market prices of closed-end funds will not necessarily depend directly upon the NAV but will be influenced by factors such as supply of and demand for the fund, overall market and economic conditions and general investor sentiment. Accordingly, it is possible that a closed-end fund in which a Third-Party Manager invests could decline in price even though the position was originally acquired with the expectation that the fund was trading at a discount to its NAV.

Foreign Investments. To the extent a Third-Party Manager invests in securities in markets outside the U.S. or denominated in currencies other than U.S. dollars, the Fund will be subject to risks not typically associated with investing in the U.S. These include unfavorable changes in currency exchange rates, restrictions on repatriation of investment income and capital, imposition of exchange control regulation by the U.S. or foreign governments, certain foreign or U.S. taxes, and economic or political instability or disruptions in foreign countries. Further, the Third-Party Manager may have access to less information about some non-U.S. companies than it would have about U.S. companies, and financial information may not be subject to standards comparable to those imposed on companies traded in U.S. markets, making the bases for investment decisions less dependable.

Energy Investments. A Third-Party Manager may invest in energy-related investments. Investments in the energy industry are subject to a variety of risks, not all of which can be foreseen or quantified. For example, the success of a Third-Party Manager's energy-related investments is likely to be affected by factors such as the following: (i) the amount, nature, and timing of property acquisitions or capital expenditures; (ii) the market for oil and gas acreage or properties; (iii) drilling of wells and other planned exploitation activities; (iv) timing and amount of future production of oil or gas; (v) quantities of discovered or probable, potential or proved reserves of oil or gas; (vi) marketing of and market prices for oil, gas or oil or gas properties generally or in any particular location; (vii) operating costs such as lease operating expenses, administrative costs and other expenses; (viii) cash flow and anticipated liquidity; (ix) the timing, success and cost of exploration and exploitation activities; (x) governmental and environmental regulation of the oil and gas industry; (xi) environmental liabilities; (xii) industry competition,

conditions, performance and consolidation; (xiii) the availability of drilling rigs and other oilfield equipment and services; and (xiv) natural events.

Digital Currencies and Assets. A Third-Party Manager may invest in digital currencies (a/k/a cryptocurrencies), initial coin offerings, and other digital assets. Digital currencies and assets represent a speculative investment and involve a high degree of risk. As relatively new products and technologies, digital currencies and assets have not been widely adopted as a means of ownership or payment for goods and services by major retail and commercial outlets. Conversely, a significant portion of the demand for digital currencies and assets is generated by speculators and investors seeking to profit from the short or long-term holding of digital currencies and assets. The relative lack of acceptance of digital currencies in the retail and commercial marketplace limits the ability of end-users to pay for goods and services with digital currencies. A lack of expansion by digital currencies into retail and commercial markets, or a contraction of such use, may result in increased volatility. In addition, the legal status of digital currencies and assets is unclear. Digital currencies are generally not considered legal tender or backed by any government, and digital assets may or may constitute securities, and both have experienced price volatility, technological glitches and various law enforcement and regulatory interventions. The use of digital currencies has been prohibited or effectively prohibited in some countries. The uncertainties regarding legal and regulatory requirements relating to digital currencies, digital assets, or transactions utilizing digital currencies or digital assets, as well as potential accounting and tax issues, or other requirements relating to digital currencies or digital assets could have a significant negative impact on the future marketability and value of the digital currencies and/or digital assets a Third-Party Manager may have invested in. Further, digital currencies and digital assets are controllable only by the possessor of unique private keys relating to the addresses in which the digital currencies or digital assets are held. The theft, loss or destructions of a private key required to access a digital currency or digital asset is irreversible, and such private keys would not be capable of being restored by a Third-Party Manager. Any loss of private keys relating to digital wallets used to store a Third-Party Manager's digital currencies or digital assets could result in the loss of the digital currencies and/or digital assets and the Fund could incur substantial, or even total, loss of capital.

Risks Related to Specific Underlying Closed-End Funds. The Funds invest in a variety of private equity funds, real estate funds, venture capital funds, biotech funds, and other closed-end private funds or vehicles. The Funds generally will not have withdrawal rights with respect to these investments.

Investments in Real Estate Funds. The Funds make investments in real estate private funds that will make investments on a levered and unlevered basis in real estate. A Third-Party Manager may invest a portion of their assets directly in real estate that the Third-Party Manager believes is undervalued (including as the result of foreclosure or other enforcement actions). In addition, a Third-Party Manager may invest in the securities or obligations of companies whose primary asset is real estate. Real estate private funds often co-invest with additional third parties through joint ventures. In some situations, additional fees and expenses are charged at the level of those joint ventures. Those joint venture investments involve risks not present in investments where a third party is not involved, including the possibility that a co-venturer or partner may at any time have economic or business interests or goals which are inconsistent with those of the Third-Party Manager or the Fund.

Special risks associated with real estate investments include changes in the general economic climate or local conditions (such as an oversupply of space or a reduction in demand for space), competition based on rental rates, attractiveness and location of the properties, changes in the financial condition of tenants and changes in operating costs. Real estate investments are also subject to the risks generally incidental to the ownership and operation of income-producing real estate. These risks include: (i) the illiquidity of investments; (ii) the availability of financing and possibility that cash generated from operations will not be sufficient to meet fixed obligations; (iii) the presence of undetected physical and other defects, changes in economic conditions affecting real estate ownership directly or the demand for real estate; (iv) the need for unanticipated expenditures in connection with environmental matters; (v) unavailability of certain types of insurance; (vi) increases in insurance costs; (vii) changes in tax rates and other operating expenses (including interest rate levels); (viii) adverse changes in laws, governmental rules and regulations (including those governing the environment, land usage, improvements, zoning and taxes) and fiscal policies; (ix) terrorism; (x) natural disasters, including earthquakes and fire (which may result in uninsured losses); (xi) environmental and waste hazards; and (xii) other factors which are beyond a Third-Party Manager's control.

Investment in Marina Funds. Generally, the profitability of a marina may be adversely affected by: (i) local, national and regional economic conditions; (ii) decreased demand for luxury goods, such as boats; (iii) changes in travel patterns, which may be caused by changes in gasoline prices and other costs of travel and demographics; (iv) the existence or construction of competing properties; (v) geographic location and dependence on tourism; (vi) natural disasters (particularly floods and hurricanes); (vii) the seasonal nature of the marina industry; and (viii) government regulations, including those that govern the use of and construction on rivers, lakes and other waterways. Such adverse effects could take the form of a reduction in the amounts that can be charged for boat storage and/or decreased occupancy levels at the property. Marinas and related businesses tend to respond to adverse economic conditions more quickly than do other types of commercial properties. Furthermore, a significant number of the tenants at the marina may have month-to-month leases, thereby increasing the sensitivity of the property's performance to adverse economic conditions. The marina industry is generally seasonal in nature and, as a result, periodic fluctuations are common with respect to boat sales and other revenues, occupancy levels and operating expenses. Additionally, a marina may not be readily converted to alternative uses, and any such conversion may require substantial capital expenditures.

Investments in Venture Capital Funds. The Funds may, from time to time, invest in venture capital funds. Investments in privately held operating companies are subject to a variety of risks. The operating companies in which the underlying venture capital funds will invest may be in an early stage of development with little or no operating history. Such companies may operate at a loss for prolonged periods of time or experience substantial variations in their operating results from period to period and will consequently generally need substantial additional capital to support development and/or expansion or to maintain a competitive position. Other specific risks associated with investments in these companies include competition; inability to receive adequate financing; technological challenges; management issues; the impact of changes in market conditions, regulatory requirements, interest and currency exchange rates, general economic conditions, domestic or foreign political environments and capital market conditions, among others.

Investments in Biotech Focused Funds. The Funds may, from time to time, invest in funds focused on investing in biotechnology companies. That investment is susceptible to factors

affecting the science and technology industry. Some of the specific risks faced by biotechnology companies include rapidly changing science and technologies; new competing products and improvements in existing products which may quickly render existing products or technologies obsolete; exposure to a high degree of government regulation, making these companies susceptible to changes in government policy and failures to secure, or unanticipated delays in securing regulatory approvals; dependence on the development and maintenance of strategic and collaborative relationships with corporate partners, government agencies, research institutions, universities and hospitals in cases where such relationships are important to the development of a product; Medicaid and third party payer attempts to reduce reimbursement rates and other changes in reimbursement coverage; scarcity of management, technical, scientific, research and marketing personnel with appropriate training; the possibility of lawsuits related to intellectual property rights; and rapidly changing investor sentiments and preferences with regard to technology sector investments (which are generally perceived as risky).

Risks Associated with Certain Direct Investments. In addition to investing in Third-Party Managers or directly pursuing the strategies and securities above, which have the risks outlined above, Adviser may have the Funds make direct investments in illiquid or “hard” assets such as real estate, mineral rights, ranches, privately held companies, and other unique classes, and each asset class represents unique risks. For example, certain risks include the following:

Real Estate. Risks generally incident to the ownership of real estate include deterioration of real estate fundamentals that negatively impact the performance of such investments. Such changes in fundamentals could involve fluctuations as a result of general and local economic conditions, overbuilding and increased competition, increases in property taxes and operating expenses, changes in environmental and zoning laws, casualty or condemnation losses, environmental liability, regulatory limitations on rents, changes in neighborhood values, changes in the appeal of properties to tenants, the availability of mortgage funds which may render the sale or refinancing of properties difficult or impracticable, natural disasters, increase in interest rates and other factors that are beyond the control of the Adviser.

Ranches. The Funds may invest in agriculture land intended for food production. A number of risks are associated with production agriculture that can affect the profitability of such investments. Prices are impacted by a large number of factors outside the control of the Fund. These include changing weather patterns, shifts in governmental policy, international trade agreements, food safety issues, economic downturns, and crop and livestock diseases, costs of inputs such as oil for fertilizer and fuel and competition from foreign countries.

Mineral Rights. Risks associated with investing in mineral rights include that mineral exploration projects are unsuccessful in finding economically viable deposits, significant amounts of capital are required for commercial production of mineral deposits and there can be no assurance the companies will be able to raise sufficient capital, and commodity prices can be volatile where low commodity prices can have a strong negative effect on mineral-related stocks.

Privately-Held Companies. The Funds may invest a portion of its capital in the debt and equity of privately-held companies, which may be subject to higher risk than investments in publicly-traded companies. Generally, little public information exists about these companies, and a Fund is required to rely on the ability of the Adviser to obtain adequate

information to evaluate the potential risks and returns involved in investing in these companies. If the Adviser is unable to uncover all material information about such companies, it may not make a fully-informed decision and may lose some or all of the money invested. These factors could subject the Fund to greater risk than investments in publicly-traded companies, negatively affect the Fund's investment returns and cause the loss of all or part of an investor's investment in the Fund.

Technology Companies. Early-stage and development-stage technology companies often experience unexpected problems in the areas of product development and market acceptance, manufacturing, marketing, financing, competitive technologies, regulatory approvals, intellectual property disputes and general management, which, in some cases, cannot be adequately solved. In addition, these companies often require substantial amounts of financing which may not be readily available. The percentage of companies that survive and prosper can be small. Risks also exist when investing in more mature companies as they transition to the expansion or profitable stage. Such companies typically have obtained capital in the form of debt and/or equity to expand rapidly, reorganize operations, acquire other businesses, hire talent, or develop new products and markets. These activities by definition involve a significant amount of change in a company and could give rise to significant problems in sales, manufacturing, and general management of these activities. These companies also have limited exit opportunities for investors, namely, private sales or initial public offerings, either or both of which may not be timely available for their investors.

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 the adviser or the integrity of adviser's management.

There are no legal or disciplinary events that are material to an evaluation of the Advisers' advisory services or the integrity of management.

ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

The Advisers are not registered, and do not have an application pending to register, as a broker-dealer or registered representative of a broker-dealer. Currently, no employees of the Advisers are registered representatives of a broker-dealer.

Neither the Advisers nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

The Advisers are, or are affiliated with, the general partner of each of the Funds. The Advisers and their management personnel and employees might have conflicts of interest in (i) allocating their time and activity between and among the Funds, (ii) allocating investments among the Funds, and (iii) effecting transactions for the Funds or a Fund, including in such instances where the Advisers or their management personnel, employees or affiliates may have a greater financial interest. To address this conflict, the Advisers have established procedures, as described above in Item 6, so that the Funds receive equitable and fair treatment with respect to the allocation of investments among the Funds.

As described above in Items 5 and 6, the Advisers receive asset-based and performance-based compensation from the Funds, in addition to other forms of compensation. Some of the amounts payable to the Advisers by certain Funds will be based directly on the net asset value of the Funds or the value of the underlying investments owned by such Fund. To the extent that valuation of a Funds' assets will be determined by the Advisers because there is, for example, no public market price available, there may be a conflict of interest. To address this conflict, the Advisers value such assets in accordance with the valuation policies and procedures as disclosed in a Fund's offering material and/or governing documents.

The Advisers have no other relationships or arrangements with any related person that are material to its advisory business or to the Funds.

The Advisers do not receive any compensation from third-party advisers that it or any affiliate recommends or selects for the Funds other than as discussed in Item 5 of this Brochure. Other than in connection with a Fund's investment strategy, the Advisers have no other business relationship that creates a material conflict of interest with any third-party advisers that it or any affiliate recommends or selects for the Funds.

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

The Advisers have adopted a written Code of Ethics designed to address and avoid potential conflicts of interest as required under Rule 204A-1 of the Advisers Act (the "Code"). The Code sets forth a standard of business conduct and compliance with federal securities laws by all of the Advisers' employees. The Code contains policies and procedures that ensure that all personal securities trading by employees of the Advisers is conducted in such a manner as to avoid actual or potential conflicts of interest or any abuse of an individual's position of trust and responsibility. The Advisers prohibit personal trading of certain securities or instruments; requires pre-clearance of personal trades in certain circumstances, including purchases of an IPO or a new private placement; requires periodic reporting of employees' personal securities transactions and holdings; and requires prompt internal reporting of Code violations.

While the Advisers very rarely have access to non-public information relating to public companies, as part of its Code, the Advisers have established procedures to prevent the abuse of material, non-public information, which includes procedures for, among other things, the use and maintenance of restricted trading lists. Because the structure of the Advisers would make information barriers impractical, the firm has not imposed information barriers to restrict the internal flow of possible material, non-public information. Thus, all professionals are deemed to be in receipt of material, non-public information in all instances where any professional of the Adviser has received material, non-public information and therefore may not trade on the basis of that information.

The Advisers will provide a copy of the Code to any Investor or prospective Investor upon request.

The Advisers generally do make recommendations of investments in which it or a related person has a financial interest, but the Advisers will make recommendations to invest into investments in which it, a related person, or the Fund receives Seed Investment Revenue or a Revenue Stream (as discussed in Item 5). This could potentially present conflicts of interest. The Chief Compliance Officer carefully reviews portfolio investment opportunities for potential conflicts before they are presented to limited partners or invested in by the Funds. Then, the Advisers provide written notice as to its interest, if any, in any investments to the limited partners.

Certain principals of the Advisers can invest in the same or related securities that the Advisers recommend to the Funds. In addition, certain Funds and third-party investors may co-invest in the same portfolio investments with other Funds managed by the Advisers, as described in Item 8 hereof. In such situations, the Advisers have adopted policies and procedures to identify and deter conflicts of interest among the Advisers, its related persons and the Funds. The potential conflicts are addressed by providing written notice as to its interest, if any, in any investments.

Brokers, counterparties, service providers and other third parties with whom we do business occasionally provide gifts and entertainment to our principals and employees. We may enter into business transactions and relationships on behalf of a Fund with the donors of such gifts and entertainment. Such gifts and entertainment create a conflict of interest in our selection and retention of these donors as service providers for Funds. To address this conflict, we have adopted policies and procedures to monitor gifts and entertainment given and received by our principals and employees which may present a conflict of interest or the appearance of impropriety. We also have policies and procedures in place to help us monitor, and limit, the political contributions that our principals and employees make to public officials and candidates for elected office in accordance with the requirements of Rule 206(4)-5 under the Investment Advisers Act of 1940.

ITEM 12 - BROKERAGE PRACTICES

Private Equity and Hybrid Investment Strategy

The Adviser's private equity investment strategies and hybrid investment strategies involve making negotiated investments in privately held companies, businesses, or investments. As a result, the Adviser does not select or recommend broker-dealers for and does not use "soft" dollars in connection with Fund transactions. Rather, most Fund investments are made through privately negotiated arrangements. Nonetheless, in implementing transactions for a Fund, we take into account the full range of applicable factors when hiring third party service providers or other intermediaries, including reputation, level of expertise, price, etc.

On behalf of the Funds (or on behalf of their portfolio companies, if appropriate), we may engage investment banks, securities underwriters, real estate brokers, legal and tax experts, accounting experts, environmental experts, insurance professionals and other service providers. The Funds (or their portfolio companies, as applicable) pay these service providers through commissions or other service fees. We believe that analysis of the value of the services rendered by these service providers involves a number of factors, and that price is not the ultimate factor that determines whether we achieve "best execution" in selecting service providers.

Alternative Investments Strategy

In the limited number of circumstances where the Fund directly purchases securities other than interests in pooled investment vehicles, Satori Alpha Adviser will select brokers or dealers, as the case may be, in the manner described below.

The Fund will make investments in securities that may involve brokerage commissions. Satori Alpha Adviser will have sole discretion in deciding what brokers and dealers are used and in negotiating rates of brokerage compensation for trades on behalf of the Fund. In addition to using brokers as "agents" and paying commissions, the Fund may buy or sell securities directly from or to dealers acting as principal at prices that include markups or markdowns.

In choosing brokers and dealers, Satori Alpha Adviser will not be required to consider any particular criteria. For the most part, Satori Alpha Adviser will seek the best combination of brokerage expenses and execution quality but, as discussed below, is not required to select the broker-dealer that charges the lowest transaction cost, even if that broker-dealer provides execution quality comparable to other brokers or dealers. In evaluating “execution quality,” historical net prices (after mark-ups, markdowns or other transaction-related compensation) on other transactions will be a principal factor, but other factors will also be relevant, including the following: the execution, clearance, and settlement and error correction capabilities of the broker-dealer generally and in connection with securities of the type and in the amounts to be bought or sold; the willingness of the broker-dealer to commit capital; reliability and financial stability; the size of the transaction; availability of securities to borrow for short sales; and the market for the security.

1. Soft Dollars.

Satori Alpha Adviser does not currently intend to enter into soft dollar arrangements on behalf of the Fund, but may do so in the future.

2. Brokerage for Client Referrals

Satori Alpha Adviser does not compensate brokers for client referrals through order flow or any other means.

3. Directed Brokerage

Satori Alpha Adviser does not have any directed brokerage arrangements with Satori Alpha Adviser’s Investors.

Other than in connection with any co-investments described in Item 8, Satori Alpha Adviser does not aggregate the purchase and sale of securities for its Funds. To the extent that Satori Alpha Adviser identifies an investment opportunity that satisfies the investment mandate for more than one Fund and each Fund has capacity to make the investment, Satori Alpha Adviser will allocate the investment opportunity in a manner that treats each Fund fairly.

ITEM 13 - REVIEW OF ACCOUNTS

The Advisers maintain comprehensive review procedures for the ongoing monitoring of portfolio investments. In connection therewith, the Advisers conduct regular reviews of all investments held in each Fund portfolio. See Item 8.

Private Equity and Hybrid Investment Strategy

The Adviser will present to each Fund Investor (1) a quarterly report on the affairs of the Fund within 45 days of the end of the relevant reporting period, (2) an annual report on the affairs of the Fund, including a review of each investment, within 90 days after the end of each fiscal year, and (3) an annual audit by an independent accounting firm, within 120 days of the end of the relevant reporting period.

To the extent not prohibited by confidentiality requirements, the Adviser will also provide Investors with portfolio companies’ financial statements upon request.

Alternative Investments Strategy

Annually, the Fund will furnish all Investors with (i) audited financial statements prepared in accordance with generally accepted accounting principles, accompanied by the report of its independent certified public accountants, and (ii) tax information necessary for the completion of tax returns. In addition, on a monthly basis, each Investor will be furnished with unaudited partner capital statements.

ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION

No persons other than the Funds provide an economic benefit to the Adviser for providing investment advice or other advisory services to the Funds.

The Adviser may make cash payments to third-party solicitors for Client referrals, provided that, to the extent required, each such solicitor has entered into a written agreement with the Adviser pursuant to which the solicitor will provide each prospective Client with a copy of the Adviser's Form ADV Part 2, and a disclosure document setting forth the terms of the solicitation arrangement, including the nature of the relationship between the solicitor and Adviser and any fees to be paid to the solicitor. Where applicable, cash payments for Client solicitations will be structured to comply fully with the requirements of Rule 206(4)-3 under the Investment Advisers Act of 1940 (the "Advisers Act") and related SEC staff interpretations.

ITEM 15 - CUSTODY

The Advisers are deemed to have custody of the Fund's assets because they are, or are affiliated with, the general partner of each of the Funds. As such, assets in the accounts of the Funds are held by a qualified custodian as required by the safekeeping requirements in Rule 206(4)-2 of the Advisers Act. The Adviser does not provide account statements to the Funds directly.

A qualified custodian provides monthly or quarterly statements directly to the Funds relating to Fund assets for which the Adviser has deemed custody.

Please refer to Item 13 for a description of reports that are provided to Investors in the Funds.

ITEM 16 - INVESTMENT DISCRETION

Pursuant to an agreement of limited partnership, the general partner is granted broad authority to determine the type and amount of securities to be bought and sold, as well as the timing of such purchases and sales for the Funds. In connection with this discretionary authority, the general partner and the Adviser select portfolio company investments, direct investments, and Third-Party Managers on behalf of the Funds.

ITEM 17 - VOTING CLIENT SECURITIES

In connection with its investment advisory services, the Advisers generally do not invest in public equity securities, and therefore do not receive proxies on behalf of the Funds. To the extent an Adviser does invest in public equity securities, the general policy of the Advisers is to vote proxy proposals, amendments, consents, or resolutions relating to client securities in a manner that serves the best interests of the Fund, as determined by the Adviser in its discretion, and considering relevant factors, including, but not limited to, the impact on the value of the securities, the anticipated costs and benefits associated with the proposal, the effect on liquidity, and customary industry and business practices. A copy of the Advisers' proxy voting policies may be obtained by contacting the Filing Adviser at the address or telephone number listed on the first page

of this Brochure.

ITEM 18 - FINANCIAL INFORMATION

The Advisers charge Management Fees in advance on a quarterly basis. Because the Advisers do not require or solicit prepayment of more than \$1,200 in fees per Fund, six months or more in advance, there is no requirement to provide a balance sheet for the most recent fiscal year.

Registered investment advisers are required in this Item to provide certain financial information or disclosures about the adviser's financial condition. The Advisers have no financial commitment that impairs its ability to meet contractual and fiduciary commitments to the Funds, and have not been the subject of a bankruptcy petition at any time during the past ten years.