

MANGROVE EQUITY PARTNERS, L.P.
March 31, 2022

101 South Franklin Street
Suite 205
Tampa, FL 33602
Tel: 813-868-4500
Fax: 813-224-0922

Website: www.mangroveequity.com

This brochure provides information about the qualifications and business practices of Mangrove Equity Partners, L.P., an investment adviser registered with the United States Securities and Exchange Commission (the “SEC”). If you have any questions about the contents of this brochure, please contact us at 813-868-4500 or email jhr@mangroveequity.com.

This information has not been approved or verified by the SEC or by any state securities authority

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training. Additional information about Mangrove Equity Partners, L.P. is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2: Material Changes

We have no material changes to report since our last annual brochure dated March 30, 2021.

Item 3: Table of Contents

Item 4: Advisory Business	4
Item 5: Fees and Compensation	5
Item 6: Performance-Based Fees and Side-by-Side Management	6
Item 7: Types of Clients	6
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss	6
Item 9: Disciplinary Information	12
Item 10: Other Financial Industry Activities and Affiliations	13
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	13
Item 12: Brokerage Practices	16
Item 13: Review of Accounts	17
Item 14: Client Referrals and Other Compensation	17
Item 15: Custody	17
Item 16: Investment Discretion	17
Item 17: Voting Client Securities	17
Item 18: Financial Information	18

Item 4: Advisory Business

Mangrove Equity Partners, L.P., formed in 2007, is one of a group of companies headquartered in Tampa, FL that was founded to make and manage investments in private equity funds, pooled investment vehicles structured as U.S. limited partnerships (each a “Fund” or “Client” and collectively, the “Funds” or “Clients”). Mangrove Equity Partners, L.P. acts as the management company to the Funds providing administrative, management and investment services. Its affiliates act as the general partners to the Funds which have substantially similar objectives. For the purposes of this brochure, Mangrove Equity Partners, L.P. and its affiliates will be referred to collectively as “Mangrove” or the “Firm”.

The principal owners of Mangrove are Glenn Oken, Hunter Reichert, and Matt Young, who are also the Firm’s founders.

The Firm invests in control equity transactions, primarily majority recapitalizations and management buyouts, partnering with owner/operators and management teams to build enhanced investment value. The Funds invest in companies within the lower end of the middle market, generally defined as companies with initial enterprise valuations less than \$75 million and revenue and EBITDA typically less than \$100 million and \$10 million, respectively. Mangrove seeks businesses with significant value enhancement opportunities, and seeks to partner with management teams who are open to its involvement and support. The investment team investigates, identifies and evaluates investment opportunities; structures and negotiates making investments on behalf of the Funds; manages, monitors the performance of the investments and disposes of them.

The Funds’ advisory services are tailored to the specific investment objectives and restrictions as set forth in their offering documents. However, in accordance with common industry practice, the Funds may enter into “side letters” or side agreements with certain investors in the Funds who may be granted specific rights, benefits, or privileges not set forth in the offering documents. Such investor specific rights, benefits or privileges may not be applicable to all investors and therefore may not be made available or disclosed to all generally. However, at no time shall any such side letter or similar agreement entered into by Mangrove or the Fund with a limited partner contain terms which are adverse to the interests of any other limited partner.

Mangrove may establish co-investment vehicles, through which certain principals, friends and family may invest alongside a Fund in each investment made by a Fund. Other alternative investment vehicles or special purpose vehicles (collectively, “AIVs”) may be formed for the purpose of facilitating certain investments by one or more investors. In addition, one or more parallel funds may be organized on terms substantially similar to those of the Funds to meet the

needs of certain classes of investors. Each parallel fund, if any, will co-invest on a pro rata basis in all Fund transactions.

As of December 31, 2020, Mangrove had regulatory assets (which include uncalled capital commitments) under management of \$231,734,244 on a discretionary basis and \$-0- in assets on a non-discretionary basis.

Item 5: Fees and Compensation

Mangrove receives an annual management fee from the Funds, payable quarterly or semi-annually in advance, of 2.0% (Our management fee on Fund III is 2.5%) of aggregate commitments. The management fee may be reduced by excess organizational expenses, placement agent expenses and other fee income. The Funds' offering documents include further details concerning reductions to the management fee.

Mangrove may waive, rebate or reduce the management fees with respect to investments by limited partners who are principals, employees or affiliates. Management fees may be waived for investors in the co-investment vehicles.

The Funds will also be subject to other organizational and operational expenses such as legal, auditing, consulting, financing, accounting; fund raising, travel and recruitment expenses incurred in connection with the organization, funding and start-up; expenses associated with financial statements, tax returns and K-1's; expenses of the advisory board and annual meetings of the limited partners; insurance; due diligence and other expenses associated with the acquisition, holding and disposition of their investments, including extraordinary expenses (such as litigation, if any); all expenses in connection with transactions not consummated, and any taxes, fees or other governmental charges; and any expenses associated with compliance with regulations regarding registered investment advisers.

Mangrove may also, from time to time, receive monitoring, consulting, closing, director's and transaction fees from portfolio companies or proposed portfolio companies and breakup fees and litigation proceeds from transactions not consummated in connection with proposed investments.

Additionally, please see **Item 6** below regarding performance-based compensation ("Carried Interest") that the Funds may pay.

Although the Firm does not generally utilize the services of broker-dealers to effect portfolio transactions for the Funds, in the event that it chooses to use a broker-dealer for limited purposes, the Funds will incur brokerage and other transaction costs. For additional information regarding the Firm's brokerage practices, please see Item 12.

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

The Funds allocate a percentage of their profits, “Carried Interest,” to their general partners. Such Carried Interest, as described in a Fund’s limited partnership agreements, is allocated to the general partner after each limited partner receives 100% of its contributed capital plus an 8% per annum internal rate of return. Thereafter, the profit participation is 80% to investors and 20% to the general partner after a profit catch-up.

The Funds’ general partners may waive or reduce, in whole or in part, carried interest with respect to any limited partner or any portion of a limited partner’s commitment (including without limitation the principals, employees or affiliates).

Item 7: Types of Clients

Mangrove provides advice directly to the Funds and not to individual investors. The Funds are not registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”). The Funds are not offered through any form of general solicitation or general advertising. Access to information about the Funds is limited to investors who meet specified minimum investment criteria relating to their financial holdings, investment experience, etc. The Funds’ investors are typically institutions, family offices and high net worth individuals.

Details concerning minimum initial and additional subscription amounts are found in the Funds’ offering documents.

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

Decision Making

Mangrove employs a research-driven evaluation process to analyze each transaction opportunity, using its research capabilities to identify company and industry growth potential. While the Firm applies a rigorous decision making methodology, it also focuses on getting in front of owners early.

Mangrove’s decision-making process evaluates a company based on its basic characteristics (size, profitability, stability), the attractiveness of the industry and strength of management, the presence of value creation opportunities, deal specific issues (ownership structure, non-traditional liabilities, etc.), and finally price/value and available financing.

Due Diligence

Mangrove views the due diligence process as the single greatest opportunity to mitigate the risks inherent in a lower middle market investment. Through due diligence, the Firm has the benefit of working with the management of target businesses, developing a first-hand assessment of the strengths and weaknesses of a target company's management group and business, while simultaneously developing respect and camaraderie between management and the Firm's professionals. Extensive personal interaction also provides a window into the prospective management partners' personality, style and motivations. The Funds' strategy depends on finding management partners who are open to involvement and support from a partner, and who can take a progressive view toward value creation.

Mangrove's due diligence approach involves on-site investigation with an emphasis on direct interaction with employees at all levels, and across all functional departments of the target organization. The Firm believes this comprehensive approach provides a more accurate view of organizational strengths and weaknesses than the more traditional approach limited to interaction with just top management.

A senior partner guides and reviews each element of the due diligence process. Due diligence typically focuses on the following elements: industry and economic review; assessment of the competitive landscape; in-depth business review and accounting due diligence (accounting diligence performed by outside advisors); evaluation of the customer and supplier base; direct customer and supplier calls by Mangrove professionals or outside advisors; broader market survey provided by an outside assessment firm; financial and computer systems analysis; legal, environmental, and tax diligence performed by outside advisors; interviews with historical company advisors (legal, accounting, board, etc.); background checks and psychological/leadership assessments of key management; and operations review to identify weaknesses and opportunities.

While due diligence focusing on the fundamental business will be handled by the Firm's professionals, Mangrove often engage outside experts with specific knowledge of the industry in question, supplementing its internal diligence team with a group of outside advisors to aid in accounting, systems, legal, environmental, benefits and other related diligence matters.

As part of the diligence process, the Firm creates a detailed memorandum that memorializes the investment thesis, key diligence findings, financial structure and value creation opportunities. This memorandum serves as the foundation of our strategic plan for value creation.

Structure

Mangrove maximizes the utility of debt financing, tax structuring, deal structuring and other financial facets of the transaction to positively impact risk-adjusted returns to the Funds.

Board Seats

Mangrove generally takes a majority board position in its investments and the Firm's principals will take seats on portfolio company boards of directors.

RISK FACTORS

These strategies and investments involve risk of loss to investors and investors must be prepared to bear the loss of their entire investment. Investment in the Funds is speculative and involves a high degree of risk. Potential investors should consider the following risk factors and conflicts of interest with respect to such an investment. An investment in the Funds is suitable only for persons or entities with the financial capability of making and holding long-term investments and of sustaining the loss of a portion or all of their investment. The following is not intended to be a complete examination of all of the risks involved in connection with an investment in the Funds and other risks not discussed below may exist or may arise in connection with the management and operation of the Funds.

No Assurance of Investment Return

The Funds' investment portfolios consist primarily of investments in privately held entities, and results in a specified period will be difficult to predict. While private equity investments in leveraged companies offer the opportunity for capital appreciation, such investments also involve a high degree of risk. There is no assurance that the Funds will be able to invest their capital with attractive terms or generate returns for their investors.

Past Results are not Indicative of Future Results

Although the Mangrove investment team may have achieved favorable returns with some of their previous investments, the performance of past investments (whether or not of the type and scope of the Funds) cannot be relied upon to predict the Funds' success. Investors cannot be assured that historic performance of the Mangrove investment team will be repeated with the Funds.

No Assurance of Projected Results

The general partners generally determine the appropriate capital structure for each entity in which the Funds invest based upon financial projections for that company. There can be no assurance that the projected results will be obtained, and actual results may vary significantly from the projection. General economic conditions, which are not predictable, can have a material adverse impact on the accuracy of projections.

Portfolio Investment Risk

The Funds invest in a limited number of portfolio companies. The aggregate return of the Funds may be affected by the performance of a few holdings. To the extent that less capital is raised than targeted, the Fund may make fewer investments and thus be less diversified. The identification of attractive investment opportunities is difficult and involves a high degree of uncertainty.

Risks of Private Company Investments

The Funds' investment portfolios consist primarily of investments in privately held entities, and results in a specified period are difficult to predict. While private company investments offer the opportunity for significant gains, such investments also involve a high degree of business and financial risk and can result in substantial losses.

Dilution

Limited partners admitted to the Funds at subsequent closings participate in the then-existing investments of the Funds, thereby diluting the interest of existing limited partners in such investments. Although any such new limited partner is required to contribute its pro rata share of previously made capital contributions, there can be no assurance that this contribution will reflect the fair value of the Funds' existing investments at the time of such contributions.

No Guaranteed Distribution

The date that distributions to the partners actually commence, or their subsequent timing or amount, cannot be accurately predicted. There is no guarantee that any such distribution will, in fact, be made or, whether they will be made when anticipated. Delays in making distributions could result from the inability of the Funds to make profitable investments or liquidate such investments at a gain once made.

Illiquidity of Investments; Long Term Investment

An investment in the Funds should be viewed as illiquid. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The Funds are not intended to be a short-term investment. Even if the investment strategy of the Funds proves successful, it is unlikely to produce a realized return to the limited partners for a number of years.

Restricted Nature of Investment Positions

Generally, there is no readily available market for the Funds' investments and most of the Funds' investments are difficult to value. Disposition of such investments may require a lengthy time period or may result in distributions in kind to partners.

Restrictions on Transfer and Withdrawal

The interests in the Funds have not been registered under the Securities Act or any other applicable securities laws. There is no public market for the interests and none is expected to develop. Additionally, the interests in the Funds are not transferable except with the consent of the general partner. Investors generally may not withdraw from the Funds and the interests are not redeemable. Consequently, investors may not be able to liquidate their investments prior to the end of the Funds' term. **Investors who do not wish to remain as partners for the entire duration of the fund are advised against investment.**

Leverage

The Funds may make use of leverage by incurring debt directly or having a portfolio company incur debt to finance a portion of their investment in a given portfolio company. Leverage generally magnifies both the Funds' opportunities for gain and risk of loss from a particular investment. The amount of such borrowings or other leverage will be in the general partner's discretion. The use of leverage involves a high degree of financial risk.

Reliance on the General Partner, the Management Company and the Portfolio Company Management

Control over the operation of the Funds is vested entirely with the general partner and the management company, and the Funds' future profitability will depend largely upon the business and investment acumen of the Mangrove investment team. The loss of service of one or more of the investment team could have an adverse impact on the Funds' ability to realize its investment objectives. Although the general partner and the management company will monitor the performance of each Fund investment, it will primarily be the responsibility of each portfolio company's management team to operate the portfolio company on a day-to-day basis.

Absence of Recourse, Exculpation and Indemnification

The Funds' agreements limit the circumstances under which the general partner and its affiliates are held to be liable to the Funds. Additionally, the Funds are required to indemnify the general partners, the management company and their respective partners, principals, members, managers, employees and affiliates for liabilities incurred in connection with the affairs of the Funds. Members of the advisory board will also be entitled to the benefit of certain indemnification and exculpation provisions as set forth in the Funds' agreements. Such liabilities may be material and have an adverse effect on the returns to the investors.

Service on Boards of Directors or as Officers

One or more of the Mangrove investment team or other persons affiliated with the Funds and the general partners are expected to serve as directors or officers of certain of the Funds' portfolio companies. Not all portfolio companies may obtain insurance with respect to potential director or officer liabilities, and the insurance that portfolio companies do obtain may be

insufficient to adequately protect directors or officers from such liabilities.

No Protection Under the Investment Company Act

In reliance upon a statutory exemption for privately offered securities by entities that would otherwise be deemed to be “investment companies,” the Funds have not registered as an investment company under the Investment Company Act of 1940, as amended (the “Investment Company Act”). Certain protections, and others afforded by the Investment Company Act are not applicable to the Funds and the partners.

Recourse to the Funds’ Assets

The Funds’ assets, including any investments made by the Funds and any funds held by the Funds, are available to satisfy all liabilities and other obligations of the Funds.

Impact of State and Federal Securities Laws

The Funds’ offerings have not been registered under the Securities Act in reliance upon Rule 506 of Regulation D promulgated by the SEC pursuant to §4(a)(2) of the Securities Act; and reliance will also be made on available exemptions from securities registration under the “blue sky” laws of states in which the interests are offered and sold. There is no assurance that the interests qualify or will continue to qualify under exemptive provisions. The time and capital of the Funds’ needed to defend an action by investigators of the SEC or state securities agencies of a particular state could jeopardize the ability of the Funds to operate successfully.

Risk of Bridge Financing

If the Funds make an investment with the intent of subsequently financing a portion of that investment, there is a risk that the Funds will be unable to successfully complete such a financing. This could lead to the Funds having a larger amount of capital invested in an investment than anticipated as well as reduced diversification.

Need for Follow On Investments

Following its initial investment in a given portfolio company, the Funds may decide to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a successful portfolio company. Any decision by the Funds not to make follow on investments or inability to make such investments may have a substantial negative effect on a portfolio company in need of such an investment or may result in a lost opportunity for the Funds to increase participation in a successful operation.

Non-Controlling Investments; Investments with Third Parties

The Funds may hold a non-controlling interest in certain investments and, therefore, may have a limited ability to protect its position in such investments, although as a condition of investment, appropriate rights generally will be sought to protect the Funds’ interests. Some of the Funds’

investments may be made as a co-investor with an unrelated third party. Such non-control investments or investments with co-investors may involve risks in connection with such material third-party involvement, including the possibility that a third-party partner may have financial difficulties, resulting in a negative impact on such investment, may have economic or business interests or goals which are inconsistent with those of the Funds, or may be in a position to take (or block) action in a manner contrary to the Funds' investment objectives.

Investment in Troubled Assets

The Funds may make investments in non-performing, undercapitalized or other troubled assets, which may involve a high degree of financial risk.

Litigation Risks

The Funds may be subject to a variety of litigation risks, particularly in consequence of the likelihood that one or more portfolio companies will face financial or other difficulties during the term of the Funds' investment.

Side Agreements Not Available to All Investors

In accordance with common industry practice, the general partner may enter into one or more "side letters" or similar agreements with certain limited partners where the general partner grants to such partners specific rights, benefits or privileges that are not made available to limited partners generally. Except to the extent permitted by the Funds' agreement, the general partner will have no authority to enter into side letters or similar agreements that are materially detrimental to the Funds.

Economic and Political Conditions

The current global economic and political climate is one of uncertainty. The Funds anticipate the potential for increased regulation of the financial markets, compliance with which may increase costs and limit the Funds' ability to pursue business and investment opportunities. Any further material change in the economic environment including a further slow-down in economic growth and/or changes in interest rates, could have a negative impact on the performance and/or valuation of the Funds' investments in portfolio companies.

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 Mangrove or the integrity of Mangrove's management.

Mangrove has no legal or disciplinary events to disclose.

Item 10: Other Financial Industry Activities and Affiliations

Mangrove's affiliates serve as the general partners to the Funds. Glenn Oken, Hunter Reichert and Matt Young own and control the general partners of the Funds.

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

Code of Ethics and Personal Trading

Mangrove has adopted a Code of Ethics (the "Code") in accordance with Section 206 of the Investment Advisers Act of 1940, as amended (the "Advisers Act") and Rule 204A-1 under the Advisers Act. The Code provides for a high level of ethical conduct applicable to the Firm's partners and employees ("Covered Persons"), and obligates all Covered Persons to put clients' interests over their own. The purposes of the Code are to (i) educate Covered Persons about Mangrove's expectations and the laws governing their conduct, (ii) remind Covered Persons that they are in a position of trust and must act with propriety at all times, (iii) protect Mangrove's reputation, (iv) guard against violation of the federal securities laws, (v) protect clients by deterring misconduct, and (vi) establish procedures for Covered Persons to follow so that Mangrove can assess whether they are complying with the Code. Mangrove's Chief Compliance Officer ("CCO") monitors compliance with the Code by reviewing required disclosures of personal securities transactions, gifts and entertainment, outside business activities and other affirmations of compliance by Covered Persons.

Mangrove, in the course of its investment management and other activities (e.g., board or creditor committee service), may come into possession of confidential or material nonpublic information about issuers, including issuers in which the Firm or its affiliates have invested or seek to invest. Mangrove is prohibited from improperly disclosing or using such information for its own benefit or for the benefit of any other person, regardless of whether the other person is a client, and maintains and enforces written policies and procedures that prohibit the communication of such information to persons who do not have a legitimate need to know such information, to ensure that it is meeting its obligations to clients and remaining in compliance with applicable law.

Covered Persons are required to certify to their compliance with the Code, including the Prevention of Insider Trading Policy, at least annually.

Potential or existing investors in the Funds may request a copy of the Code by contacting Mangrove's CCO Hunter Reichert at (813) 868-4500 or by electronic mail at: jhr@mangroveequity.com.

Participation or Interest in Client Transactions

Certain employees and affiliates may invest in and alongside the Funds, either through the general

partners or through co-investment vehicles. The Funds or their general partners may reduce all or a portion of the management fee and Carried Interest related to investments held by such persons. The Funds may also make investments that they make available to other clients. For further details regarding these arrangements, as well as conflicts of interest presented by them, please see “Conflicts of Interest” immediately below.

Conflicts of Interest

Investors should be aware that, in connection with the current and potential future activities of Mangrove, the general partners, the Funds and the principals, the investment and business interests of these entities and individuals may conflict with the investment and business interests of the Funds and their partners. The Funds’ limited partnership agreements describe these potential conflicts and their mitigation. The following paragraphs detail some of the potential conflicts of interest that potential investors should carefully consider before making an investment in the Funds.

Conflicting Interests Among Limited Partners

Limited partners in the Funds include persons or entities organized in various jurisdictions that may have conflicting investment, tax and other interests with respect to their investment in the Funds. As a consequence, conflicts of interest may arise in connection with decisions to be made by the general partners, including, without limitation, with respect to the nature or structuring of investments that may be more beneficial for one limited partner than for another limited partner, especially with respect to a limited partner’s individual tax situation. In selecting and structuring investments in properties, the general partners will consider the investment and tax objectives of the Funds as a whole, not the investment, tax or other objectives of any limited partner individually.

In addition, the limited partners, or limited partner representatives selected as members of advisory boards, may have conflicting interests with some or all of the other limited partners and may make decisions that are detrimental or less favorable to some or all of the other limited partners.

Related Party Transactions

Affiliates of Mangrove and its investment team may provide services such as consulting, strategy advice, acquisitions, recruiting and systems implementation to the Funds and their portfolio companies provided that such services shall be provided at market rates not exceeding the rate that would be payable if such services were provided by third parties on an arms-length basis.

Other Investment Activities

The Mangrove investment team currently manages investment funds and investments

with similar strategies and objectives and may direct certain relevant investment opportunities to those investment funds and investments. Such other investment funds and investments that the Firm may control may compete with the Funds or companies acquired by the Funds. The Mangrove investment team may, and likely will, focus their investment activities on other opportunities and areas unrelated to the Funds' investments, including, without limitation, on successor investment funds to the current Funds.

Carried Interest

Because the percentage of the Funds' profits allocated to the general partners with respect to the Carried Interest and capital contributions exceed the capital contributions of the general partners as a percentage of the aggregate capital contributions of the Funds, the general partners may have an incentive to make investments that involve greater risk or speculation than would be the case in the absence of such performance-based compensation. In addition, due to the method of calculating the Carried Interest of the general partners, the compensation of the general partners may be affected by factors within the control of the general partners.

Management Time

Conflicts of interest may arise in allocating management time among the Funds and the other activities of the management company and future investment funds.

Fees from Portfolio Companies

The general partners and the management company earn transaction fees, directors' fees, advisory fees, management fees, consulting fees, investment banking fees, monitoring fees, commitment, break-up fees and litigation payments or equivalent compensation and other fees from portfolio companies and from other persons or entities in connection with potential or actual portfolio investments. Such fees may create a conflict of interest with respect to the role of the general partners and the management companies, in connection with various investment or business activities of the Funds and their portfolio companies. Limited partners receive benefits from these fees only as described in the offering documents.

Resolution of Conflicts

The Funds' advisory boards, whose members are limited partners, provide advice and counsel as is requested by the general partners in connection with potential conflicts of interest.

Unless consented to by a majority in interest of the limited partners and parallel fund limited partners, Mangrove will not commence the operation of another pooled investment partnership with similar investment objectives to the Funds (except for parallel investment entities, alternative

investment vehicles and any other special purpose vehicle) until the earlier of (i) the end of the Commitment Period or (ii) the date upon which 75% of the Commitments of the Funds shall have been invested, committed or allocated for investment, used for Fund expenses or organizational expenses, or reserved for follow on investments or reasonably anticipated expenses of the Funds.

Item 12: Brokerage Practices

As the Funds invest primarily in private equity ventures, investments in publicly traded securities will generally be infrequent occurrences. However, to meet its fiduciary duties, Mangrove has adopted written policies to address issues that might arise with respect to purchasing, holding, and selling publicly traded securities.

Selection of Broker-Dealers

Mangrove has, subject to the direction of the Funds' respective general partners, sole discretion over the purchase and sale of investments (including the size of such transactions) and the broker or dealer, if any, to be used to effect transactions. In placing each transaction for the Funds involving a broker-dealer, Mangrove will seek "best execution" of the transaction. "Best execution" often involves obtaining for the Funds the lowest total cost (in purchasing a security) or highest total proceeds (in selling a security) in a securities transaction, taking into account the circumstances of the transaction and the reputation and reliability of the executing broker-dealer; however, total cost (or proceeds) may not be the sole determining factor in which a broker-dealer is ultimately used to effect transactions.

In determining whether a particular broker-dealer is likely to provide best execution in a particular transaction, the management company takes into account all factors that it deems relevant to the broker-dealer's execution capability, including, for example, price, the size of the transaction, the nature of the market for the security, the amount of the commission, the timing of the transaction taking into account market prices and trends, the reputation, experience and financial stability of the broker-dealer, and the quality of service rendered by the broker-dealer in other transactions.

Mangrove does not receive "soft dollars" in connection with its use of broker-dealers.

Allocation of Investment Opportunities

In recognition of their fiduciary duties, it is Mangrove's policy to treat the Funds fairly and equitably in the allocation of investment opportunities and has adopted written policies and procedures relating to the allocation of investment opportunities, and will make allocation determinations in accordance with those policies and procedures.

Item 13: Review of Accounts

Oversight and Monitoring

The investment portfolio of each Fund is generally illiquid and long-term in nature, and accordingly, the Firm's reviews of the portfolios are not directed toward a short-term decision to dispose of securities. The investment committee closely monitors the portfolio companies of the Funds and conducts a formal review of the Funds' portfolios each quarter, in conjunction with the reports discussed below.

Reporting

Investors in the Funds receive quarterly reports that meet ILPA (Institutional Limited Partners Association) standards and include unaudited financials, a statement of their capital account and portfolio company updates. They receive a copy of audited financial statements within 120 days after fiscal year end.

Item 14: Client Referrals and Other Compensation

Mangrove, the general partners, the principals and their respective affiliates may earn various fees associated with portfolio company transactions. Please see the Funds' offering documents for a description of how these fees may reduce the management fee. Also, please see Item 11 for a description of the fees and how related conflicts of interest are addressed. Mangrove does not receive fees for client referrals.

Item 15: Custody

Because Mangrove may be deemed to have custody of the assets of the Funds as a result of its and the general partners' authority over the Funds, the Firm, in accordance with Rule 206(4)-2 under the Investment Advisers Act of 1940, provides investors in the Funds with audited financial statements (audited by a PCAOB registered accounting firm subject to inspection) within 120 days of the end of each fiscal year of the applicable Fund, and upon liquidation of the applicable Fund.

Item 16: Investment Discretion

Mangrove provides investment advice directly to the Funds and not individually to the investors in the Funds. The advice is in accordance with the management agreements with the Funds.

Item 17: Voting Client Securities

Because Mangrove invests mainly in private funds, it is rarely obligated to vote securities held by its clients. However, pursuant to its obligations under Rule 206(4)-6 of the Advisers Act, the Firm has adopted and implemented policies and procedures reasonably designed to ensure that if proxies

are to be voted, they are voted in the best interest of the Funds. The guiding principle by which the Firm votes all proxies is the maximization of the ultimate long term economic value of the Funds' holdings.

In exercising its voting discretion, Mangrove seeks to avoid any direct or indirect conflict of interest between the Funds and its voting decision. The Firm's CCO has the responsibility to monitor votes for any conflicts of interest and to use his best judgment to address any such conflict of interest and ensure that it is resolved in accordance with his independent assessment of the best interests of the Funds.

Copies of relevant proxy records, identifying how proxies were voted in connection with the Funds and copies of proxy voting policies are available to any client or prospective client by contacting Mangrove's CCO Hunter Reichert at (813) 868-4500 or by electronic mail at: jhr@mangroveequity.com.

Item 18: Financial Information

This item is not applicable.