

Item 1 – Cover Page

**Part 2A of Form ADV
Brochure for:**

The Catalyst Group Inc.

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This Brochure provides information about the qualifications and business practices of The Catalyst Group, Inc. (“Catalyst” or the “Firm”). If you have any questions about the contents of this Brochure, please contact the Firm at the address listed above. 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.

Catalyst is a registered investment adviser with the SEC. Registration of an investment adviser does not imply any certain level of skill or training.

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

Item 2 – Material Changes

This Brochure was prepared for Catalyst's initial registration with the SEC.

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes.

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Item 4 – Advisory Business

A. Description of the Advisory Firm

The Catalyst Group, Inc. (“Catalyst”) is an investment advisory firm organized as a corporation under the laws of the state of Texas. Catalyst was formed on April 5, 1990 by Ron Nixon, who is the principal owner and majority shareholder of the Firm (the “Managing Partner”).

B. Types of Advisory Services

Catalyst provides investment advisory services to pooled investment vehicles structured as limited liability companies (the “Funds” or “Clients”). Catalyst may decide in the future to sponsor or manage additional pooled investment vehicles.

Pursuant to each Client’s offering documents, Catalyst provides growth capital and operational expertise to businesses seeking a long-term partner. Catalyst generally desires to make investments in health care, technology, manufacturing, distribution, food, financial services, automotive, media, specialty retailing, energy services or other businesses having a gross enterprise value within a range of \$10 million to \$100 million. Such investments may be in the form of equities, equity related securities, partnership interests, limited liability company interests, loans with equity participation, including warrants, and any other fixed income or debt obligation instruments.

For each investment, the Firm creates a separate investment entity (each an “SPV” or “SIE”) structured as a limited liability company. Qualified investors are offered membership interests (“Interests”) into the respective limited liability company.

C. Client Tailored Services and Client Imposed Restrictions

Catalyst tailors its advisory services to the specific investment objectives and strategy of the Clients it advises, in accordance with the investment objectives, policies, and guidelines set forth in the Client’s offering materials and its governing documents and agreements.

Wrap Fee Programs

Catalyst does not participate in wrap fee programs.

E. Amounts Under Management

As of 09/30/24, Catalyst has approximately \$227,363,025 of regulatory assets under management on a discretionary basis and \$0 on a non-discretionary basis.

Item 5 – Fees and Compensation

Fees

The fees and compensation payable to Catalyst and/or its affiliates in connection with the investment advisory services provided to its Clients are negotiable and vary among Clients. However, Catalyst is generally entitled to receive a management fee as well as carried interest based on the profits earned on each Client's account (together, the "Fees"). Clients are generally invoiced bi-annually for all Fees incurred in accordance with the following.

Management Fee. With respect to the Funds, Catalyst typically receives an annual asset-based management fee (the "Management Fee") from its Clients calculated as a percentage of each investor's commitment. The Management Fee is payable quarterly in advance and is generally between 1% and 2%. The Management Fee will be prorated for any partial quarter.

Carried/Promoted Interest. Catalyst is also generally entitled to receive carried interest ("Carried Interest") from its Clients after all invested capital plus a certain preferred return, including a pro rata portion of Management Fees paid to Catalyst (as set out in the offering documents) has been distributed to investors. This Carried Interest is generally between 15-25% and is accrued but only paid upon an actual liquidation of cash.

The Carried Interest will only be charged to accounts of those investors who are "qualified clients" as defined in Rule 205-3 of the Investment Advisers Act of 1940, as amended ("Advisers Act").

Monitoring Fees. Catalyst or its affiliates are also entitled to monitoring fees directly from its portfolio companies. Such fees received from portfolio companies will offset any Management Fees or Expenses payable by the Clients to Catalyst or its affiliates to the extent the monitoring fees are not expense reimbursement items.

Expenses

In addition to the above Fees, Clients will also be responsible for all organizational expenses, which includes all out-of-pocket costs and expenses associated with the formation, establishment, and furtherment of the Client's investment activities. Such expenses may include, but are not limited to, any legal, third party consulting and accounting expenses (including expenses associated with the preparation of all tax returns and K-1's), annual audit fees, insurance for the benefit of Catalyst or its affiliates, other expenses directly associated with the acquisition, holding and disposition of investments (commissions, fees, costs), dead deal costs, and any other reasonable expenses incurred by Catalyst or its affiliates in connection with the Firm's advisory activities.

Expenses payable by the Client are capped at amounts set out in the respective offering documents.

Outside Compensation for the Sale of Securities

Neither Catalyst nor its supervised persons or affiliates accepts compensation for the sale of securities or other investment products outside of its association with Catalyst.

The foregoing discussion in Items 5 represents Catalyst's basic compensation arrangements. The management fees and incentive allocations described above are structured to comply with Rule 205-3 under the Advisers Act and applicable state laws. Fees and other compensation are negotiable in certain circumstances and arrangements with any particular Investor may vary. Although Catalyst

believes its fees are competitive, lower fees for comparable services may be available from other investment advisers.

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

As discussed in Item 5.A., Catalyst generally receives Carried Interest from its Clients after all invested capital plus a certain preferred return, including a pro rata allocation of Management Fees (as set out in the offering documents) has been distributed to investors. These performance-based distributions could motivate Catalyst to make investment decisions that are riskier or more speculative than would be the case if these arrangements were not in effect. Such fee arrangements may also create an incentive to favor higher fee-paying clients over other clients in the allocation of investment opportunities. To address these conflicts of interest with respect to its Clients, Catalyst has implemented policies and procedures to ensure that all clients receive equitable and fair treatment over time with respect to the allocation of investment opportunities.

Please refer to each Client's respective offering documents for detailed information regarding the performance-based fees applicable to the Client.

Item 7 – Types of Clients

Catalyst provides investment advisory services to pooled investment vehicles structured as limited liability companies. Catalyst may in the future provide the same or similar services to other private investment funds.

Catalyst restricts the number of investors in each Fund and offers membership interests only through non-public transactions in order to maintain their exclusion from “investment company” status under the Investment Company Act of 1940, as amended (the “Investment Company Act”).

Prospective investors in the Funds must meet eligibility criteria and are subject to certain withdrawal requirements and limitations. Prospective investors are encouraged to thoroughly review a Fund’s offering documents, which set forth all of the terms in detail. Though all Clients generally pursue the same strategy, offering terms may differ.

Each investor in a Fund generally must be an “accredited investor” (as defined in Regulation D under the Securities Act of 1933), and an investor who is eligible to enter into a performance fee arrangement under state and/or federal law, as applicable.

Catalyst generally requires a minimum commitment size in the amount of \$5,000,000 for each investor in a Fund. Catalyst may, in its sole discretion, permit investments below this amount on a case-by-case basis.

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

Methods of Analysis and Investment Strategy

Catalyst seeks to provide growth capital and operational expertise to businesses that are seeking a long-term partner. We seek U.S. based companies with a gross enterprise value between \$10 million to \$100 million and experienced management teams that have been in operation at least three years. We strive to form partnerships with management teams to design, develop, and execute long-term acquisition and organic growth strategies that fit and support the company. Catalyst desires to make investments in health care, technology, manufacturing, distribution, food, financial services, automotive, media, specialty retailing, energy services or other businesses meeting our criteria. Such investments may be in the form of equities, equity related securities, partnership interests, limited liability company interests, loans with equity participation, including warrants, and any other fixed income or debt obligation instruments.

In connection with each investment, Catalyst will form an SPV to act as the purchaser of such investment. To the extent commercially and reasonably practicable from a legal, tax and business perspective, each SPV shall be a limited liability company formed under the laws of the State of Texas.

Risks of Investments and Strategies Utilized

Investing in securities involves risk of loss that Clients and Investors should be prepared to bear.

Investment and trading risk factors may include:

Certain Material Risks

Prospective investors should be aware that investing involves a high degree of risk. There can be no assurance that a Client's investment objectives will be achieved or that investors will receive a return on their capital. The possibility of partial or total loss of capital will exist and investors must be prepared to bear capital losses that may result from investments. In addition, there will be occasions upon which the Adviser or one or more of its affiliates may encounter potential conflicts of interest in connection with the activities of a Fund. The following considerations and risk factors should be carefully evaluated before making an investment in a Fund. The following list is not a complete list of all considerations and risks involved in connection with an investment. Prospective investors should make their own investigation of the investment described herein, including the merits and risks involved and the legality and tax consequences of such an investment.

Competition for Investments. A Fund expects to encounter competition from other entities having similar investment objectives. The activity of identifying, completing and realizing attractive investments is highly competitive and involves a high degree of uncertainty. Some of these competitors may have more relevant experience, greater financial resources and more personnel than a Fund and its affiliates. It is possible that competition for appropriate investment opportunities may increase, thus reducing the number of opportunities available to a Fund and adversely affecting the terms upon which portfolio investments can be made. There can be no assurance that a Fund will be able to identify or consummate portfolio investments satisfying its investment criteria, that a Fund will be able to fully invest its committed capital or that such investments will satisfy a Fund's rate of return objective.

Ability to Manage Rapid Growth. A Fund expects many of its 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 such Fund's portfolio companies are unable to successfully manage their growth.

Need for Follow-On Investments. Given a Fund's investment strategy, such Fund may need to provide additional funds to its portfolio companies in order to make add-on acquisitions. A Fund may also have the opportunity to increase its investment in a successful portfolio company. However, there is no assurance that a Fund will be able to make follow-on investments or that such 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 platform or 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 investment.

Ability to Successfully Exit Investments. The ability of a Fund to achieve successful and profitable exits of its portfolio investments may be impacted 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 in particular industry segments. It is difficult to predict with any certainty whether there will be a ready and willing market of buyers for any particular portfolio company at the time a Fund seeks a realization.

Projections are Only Estimates. A Fund will generally determine the appropriate capital structure of each portfolio company in which a Fund invests based upon financial projections for that company. Projected operating results will normally be based primarily on management judgments. In all cases, projections are only estimates of future results based upon assumptions made at the time the projections are developed. There can be no assurance that the projected results will be obtained, and actual results may vary significantly from the projections. Also, general economic conditions, which are not predictable, can have a material adverse impact on the accuracy of projections.

Investments Longer than Term. A Fund may make investments which may not be advantageously disposed of prior to the date such Fund will be dissolved, either by expiration of such Fund's term or otherwise. Although the Adviser expects the investments will be disposed of prior to dissolution or be suitable for in-kind distribution at dissolution, such Fund may have to sell, distribute or otherwise dispose of investments at a disadvantageous time as a result of dissolution.

General Economic and Market Conditions. The private equity industry generally, and the success of a Fund's investment activities specifically, will be affected by general economic and market conditions, as well as by changes in laws, currency exchange controls, and national and international political and socioeconomic circumstances. Such factors are unpredictable and cannot be controlled by the Adviser. General fluctuations in the market prices of securities and economic conditions generally may reduce the availability of attractive investment opportunities for such Fund and may affect such Fund's ability to make investments. Instability in the securities markets and economic conditions generally (including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates) may also increase the risks inherent in a Fund's investments and could have a negative impact on the performance and/or valuation of the portfolio companies. A Fund's performance can be affected by deterioration in the capital markets and by market events, which, among other things, can impact the public market comparable earnings multiples used to value privately held portfolio companies and investors' risk-free rate of return. Volatility and illiquidity in the financial sector may have an adverse effect on the ability of a Fund to sell and/or partially dispose of its portfolio company investments. Such adverse effects may include the requirement of a Fund to pay break-up, termination or other fees and expenses in the event a Fund is not able to close a transaction (whether due to the lenders' unwillingness to provide previously committed financing or otherwise) and/or the inability of a Fund to dispose of investments at prices that the Adviser believes reflect the fair value of such investments. The impact of market and other economic

events may also affect a Fund's ability to obtain funding to support its investment objectives. Any of the foregoing events could result in substantial or total losses to a Fund in respect of certain portfolio investments, which losses will likely be exacerbated by the presence of leverage in a portfolio company's capital structure.

Deterioration of Credit Markets May Affect Ability to Finance and Consummate Investments. In the event that the global credit markets deteriorate and it becomes more difficult for investment funds to obtain favorable financing for investments, a Fund's ability to generate attractive investment returns may be adversely affected to the extent such Fund is unable to obtain favorable financing terms for its investments. Increased government regulation and oversight of lenders or potential lenders may reduce available credit and depress the value of leveraged assets. Moreover, to the extent that such marketplace events are not temporary and continue, they may have an adverse impact on the availability of credit to businesses generally and could lead to an overall weakening of the U.S. and global economies. Such marketplace events also may restrict the ability of a Fund to realize its investments at favorable times or for favorable prices.

Illiquidity of Portfolio Investments. A Fund's investments in portfolio companies 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 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 quotations and other factors. The ability of a Fund to successfully 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 the investors.

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

Cybersecurity Risks. Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject. To the extent that a portfolio company is subject to cyber-attack or other unauthorized access is gained to a portfolio company's systems, such portfolio company may be subject to substantial losses in the form of stolen, lost or corrupted (1) customer data or payment information; (2) customer or portfolio company financial information; (3) portfolio company software, contact lists or other databases; (4) portfolio company proprietary information or trade secrets; or (5) other items. In certain events, a portfolio company's failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. Any of such circumstances could subject a portfolio company, or a Fund, to substantial losses. In addition, in the event that such a cyber-attack or other unauthorized access is directed at the Adviser or one of its service providers holding its financial or investor data, the Adviser, its affiliates or a Fund may also be at risk of loss, despite efforts to prevent and mitigate such risks.

Potential Public Health Crisis; Covid-19. A public health crisis, pandemic, epidemic or outbreak of a contagious disease, such as the outbreak of Covid-19, could have an adverse impact on global, national and local economies, which in turn could negatively impact fund clients. Disruptions to commercial activity relating to the imposition of quarantines or travel restrictions (or more generally, a failure of containment efforts) may adversely impact a Fund's investments, including by delaying or causing supply chain disruptions or by causing staffing shortages. In addition, the imposition of travel restrictions may impact the ability of personnel to travel in connection with potential or existing investments of a Fund, which could negatively impact the ability of the Adviser to effectively identify, monitor, operate and dispose of investments. Finally, Covid-19 proved to contribute to, and may continue to contribute to, volatility in financial markets, including changes in interest rates. The impact of a public health crisis such as Covid-19 (or any future pandemic, epidemic or outbreak of a contagious disease) is difficult to predict, which presents material uncertainty and risk with respect to a Fund's performance.

Geopolitical Instability. The Adviser's business, its ability to identify opportunities that meet its strategy and the performance of businesses it invests in, will all be impacted by global political events, war and terrorism, all or any of which, if significant, could have a material adverse effect on the industries in which a Fund invests and on the operations and financial condition of the businesses in which it does and seeks to invest. Further, the degree to which governments can and do use economic and financial tools as a response to these events can cause short-term market dislocations, as well as medium-term adverse effects on the Adviser's business, including by decreasing demand for the products and services of its portfolio companies, and by creating financial market volatility, making portfolio company balance sheet stability more challenging.

Political Uncertainty. Results of elections (domestically and internationally) can be unexpected and may result in material market changes and increases in market uncertainty, including, for example, the changes in legal and regulatory approaches of different U.S. federal and state administrations, much of which can be difficult to predict. While these uncertainties may create investments opportunities for the Adviser, such uncertainties could likewise have material and adverse impact on the Adviser. These adverse impacts could manifest themselves in a variety of different ways, including missed (or mis-priced) investment opportunities, material regulatory changes to the industries in which the Adviser invests, operational changes or changes to the financial condition of the businesses in which the Adviser invests and/or the Adviser's ability to enter into liquidity or other exit transactions. Further, the financial services industry continues to be the subject of heightened regulatory scrutiny in the United States, and there is active debate over the appropriate extent of regulation and oversight of private investment funds and their managers. The Adviser may be adversely affected as a result of new or revised regulations imposed by the SEC or other U.S. governmental regulatory authorities or self-regulatory organizations that supervise its business, whether through higher compliance costs, enhanced disclosure obligations or through other limitations on the business activities and operations of investments funds and their managers.

Risks Relating to an Investment in a Fund

Past Performance; No Assurance of Investment Return. The investment performance of prior investments is not necessarily indicative of a Fund's future results. While the Funds intend to make investments which have estimated returns commensurate with the risks undertaken, there can be no assurances that the targeted returns will be achieved. Total loss of principal is possible with respect to any investment. There is no assurance that a Fund will be able to generate returns for its investors or that returns will be

commensurate with the risks of investing in the type of companies and transactions described herein. An investment in a Fund should only be considered by persons who can afford a loss of their entire investment. An investment in a Fund requires a long-term commitment, with no certainty that such Fund will realize its rate of return objectives or that capital loss will not occur. There can be no assurance that a Fund's investment objective will be achieved or that an investor will receive a return of its capital.

Litigation. In the ordinary course of its business, a Fund may be subject to litigation from time to time. The outcome of such proceedings may materially adversely affect the value of a Fund and may continue without resolution for long periods of time. Any litigation may consume substantial amounts of the Firm's time and attention, and that time and the devotion of these resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation.

Reliance on Managing Member and Manager. Decisions made with respect to the management of a Fund will be made by the Fund's Managing Member. The Managing Member will have exclusive responsibility for the Fund's activities and investors will not be able to make investment or other decisions with respect to the management of such Fund. The success of a Fund will depend on the ability of the Firm and the Managing Member to identify and consummate suitable investments, to improve the operating performance of portfolio companies and to dispose of the investments of such Fund at a profit. The loss of the services of one or more of the principals or such other persons could have an adverse impact on a Fund's ability to realize its investment objectives. There can be no assurance that each of the principals and other investment professionals will continue to be associated with a Fund throughout its anticipated term.

Valuation of Assets. There is not expected to be an actively traded market for most of the securities owned by a Fund. When estimating fair value, the Fund will apply a methodology it determines to be appropriate based on accounting guidelines and the applicable nature, facts and circumstances of the respective investments. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such securities and may differ from the prices at which such securities ultimately may be sold. Accordingly, the valuation decisions made by the Firm may cause it to ineffectively manage a Fund's investment portfolio and risks and may also affect the diversification and management of such Fund's portfolio of investments.

Portfolio Company Management Team. Each portfolio company's day to day operations will be the responsibility of such company's management team. Although the Firm will be responsible for monitoring the performance of each investment and intends to invest in companies operated by strong management, there can be no assurance that the existing management team, or any successor management team, will be able to operate the portfolio company in accordance with a Fund's plans or expectations.

Bridge Financings. A Fund has discretion to provide interim financing in order to facilitate a portfolio investment on a short-term, unsecured basis in anticipation of a future issuance of equity or long-term debt securities or refinancing. Such bridge loans would typically be convertible into a more permanent, long-term security; however, for reasons not always in a Fund's control, such long-term debt securities may not be issued and such bridge loans may remain outstanding. In such an event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by a Fund.

Potential Conflicts of Interest

Investors should be aware that there will be occasions when the Firm encounters potential conflicts of interest in connection with a Fund. The following discussion identifies certain potential conflicts of interest that should be carefully considered before making an investment in a Fund. In addition, investors

should be aware that the Firm, its personnel, and its affiliates may in the future engage in further activities that may result in additional conflicts of interest not addressed below. There can be no assurance that the Firm will identify or resolve all conflicts of interest and, if resolved, that such conflicts will be resolved in a manner that is favorable to a Fund.

Conflicts with Portfolio Companies. In connection with the equity investments of a Fund, officers and employees of the Firm often serve as directors of a portfolio company and in such capacity will be required to make decisions that consider the best interests of such portfolio company. In certain circumstances, such as situations involving bankruptcy or near insolvency of a portfolio company, actions that may be in the best interest of the portfolio company may not be in the best interests of a Fund and vice versa. Accordingly, in these situations, there will be conflicts of interests between such individual's duties as an officer or employee of the Firm and such individual's duties as a director of such portfolio company.

Effect of Incentive Allocation or Carried Interest. As described in Items 5 and 6 above, The existence of the Firm's incentive allocation or carried interest may create an incentive for the Firm to make riskier or more speculative investments on behalf of the applicable Fund or to hold an investment longer than it would otherwise in the absence of such performance-based arrangement. In addition, under certain tax legislation, a Fund must hold certain investments for a certain period of time in order for the Firm's incentive allocation or carried interest in respect of a disposition of such investment to be taxed at long-term capital gains rates even though investors generally would be entitled to long-term capital gains rates in respect of such a disposition so long as such Fund held the investment for more than one year. This difference in holding periods may create an incentive for the Firm to cause the applicable Fund to hold an investment longer than it would otherwise and to defer or delay dispositions of investments until achieving the respective holding period.

Allocation of Expenses. The Firm and their affiliates may from time to time incur fees, costs and expenses, including in connection with transactions not consummated, on behalf of a Fund and one or more other investment vehicles sponsored or managed by the Firm. To the extent such fees, costs and expenses are incurred for the account or for the benefit of a Fund and one or more other investment vehicles sponsored or managed by the Firm, such Fund and such other investment vehicles will typically bear an allocable portion of any such fees, costs, and expenses in proportion to the size of the investment made or proposed to be made by each in respect of the entity to which the expense relates or in such other manner as the applicable Fund considers fair and equitable. Although the Firm and their affiliates will endeavor to allocate such fees, costs and expenses on a fair and equitable basis, there can be no assurance that such fees, costs and expenses will in all cases be allocated appropriately. Notwithstanding the foregoing, the Firm and their affiliates may in the future develop policies and procedures to address the allocation of expenses that differ from their current practice.

Other Fees. The Firm and their affiliates may receive certain cash and non-cash fees from portfolio companies in connection with the purchase, monitoring or disposition of portfolio investments or in connection with unconsummated transactions (e.g., transaction, directors, consulting, management, investment banking, advisory, closing, topping, break-up and other similar fees).

Limited Recourse to the General Partner. There are limited circumstances under which a Managing Member will be held liable to the applicable Fund or its investors. Accordingly, it may be difficult for such Fund or investors to pursue any form of action against such Managing Member.

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of every risk involved in an investment with The Catalyst Group. Prospective Investors and Clients should read the entire Brochure as well the Offering Documents, Agreements, and any other

materials that may be provided by The Catalyst Group and consult with their own advisers prior to engaging Catalyst's services.

Item 9 – Disciplinary Information

Catalyst and its management persons have not been a party to any legal or disciplinary events that would be material to a client's or prospective client's evaluation of its investment advisory business or the integrity of its management.

Item 10 – Other Financial Industry Activities and Affiliations

A. Registration as a Broker-Dealer or Broker-Dealer Representative

Neither Catalyst nor its management persons are registered as a broker-dealer or broker-dealer representative.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Adviser

Neither Catalyst nor its management persons are registered as futures commission merchant, commodity pool operator, or a commodity trading adviser.

C. Relationships Material to this Advisory Business and Possible Conflicts of Interest

There are no other relationships or arrangements that are material to this advisory business.

D. Selection of Other Advisors or Managers

Catalyst does not utilize nor select other advisors or third party managers. All assets are managed by Catalyst.

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

Code of Ethics

Catalyst has adopted a code of ethics (the “**Code of Ethics**”) in compliance with Rule 204A-1 under the Investment Advisers Act of 1940, as amended. The Code of Ethics sets forth the rules for business conduct and personal investing activities of its employees. The Code of Ethics, among other things, sets ethical standards and requires compliance with the securities laws, safeguards material nonpublic information about the Clients’ transaction and portfolio holdings, and requires initial and annual reports of securities holdings of access persons. Each Employee is provided with a copy of the Code and must annually certify that they have received it and have complied with its provisions. In addition, any Employee who becomes aware of any potential violation of the Code is obligated to report the potential violation to the Chief Compliance Officer.

Investors and prospective investors may obtain a copy of the Code of Ethics upon request in writing to the Firm at the address on the cover of this Brochure or by contacting the Chief Compliance Officer at bradgurasich@tcgfunds.com.

Participation or Interest in Client Transactions and Personal Trading

From time to time under certain circumstances, the Firm or its related persons may provide personal loans to portfolio companies of the Funds for the benefit of the Funds. Such loans or guarantees may be made at below-market rates. With respect to such transactions, conflicts of interest are appropriately disclosed and approval is sought as required by the respective Funds’ offering documents.

In addition, the Firm’s employees may buy or sell the same securities as a Client so long as they receive written approval from the CCO. In cases such as this, employees and officers would have an interest in the success of a security that may be recommended to, owned by, sold for or purchased for such Client. Employees are not permitted to buy or sell any securities that are included on a restricted security list without prior written approval from the CCO.

Employees will not, directly or indirectly, acquire beneficial ownership in any personal account in any security in an initial public offering or in a limited offering (*i.e.*, a private placement) without the prior written consent of the CCO. Employees wishing to acquire beneficial ownership in any security in an initial public offering or in a limited offering must submit a written request to the CCO. If an employee is permitted to participate in such personal securities transaction, the CCO shall document the reasons for permitting such transaction.

Item 12 – Brokerage Practices

Catalyst has the authority to determine the securities that are bought and sold for the Clients, the amount of securities to be bought or sold, the broker dealer to be used (if any) and the brokerage commissions and other fees to be paid.

Catalyst expects that most if not all of the securities purchased for the Clients will be privately-issued, rather than exchange-listed securities. Nevertheless, the Firm will seek to obtain best execution for the Clients' private transactions (*i.e.*, it will seek to obtain not necessarily the lowest commission or transactional fee but the best overall qualitative execution in the particular circumstances). Best execution means not only seeking to achieve the best price but also the consideration of many factors, such as the characteristics of specific transactions, the security being offered, specific needs of Clients, conditions in the market at the time the transaction is being executed, and the overall efficiency of market structure.

Catalyst does not have any formal or informal arrangements or commitments to use research, research-related products and other services obtained from broker-dealers, or third parties, on a soft dollar commission basis.

Item 13 – Review of Accounts

Catalyst reviews Client accounts on an ongoing basis to ensure consistency with the Client's strategy and performance objectives. The investment portfolios of the Funds are generally private, illiquid and long-term in nature; accordingly, Catalyst's review of such portfolios is not directed towards a short-term decision to dispose of securities. However, the Firm continually reviews and analyzes Fund portfolio companies and maintains an ongoing oversight position in such portfolio companies to identify issues early on and take action when necessary. The Managing Partner and the CCO both generally participate in the ongoing monitoring of Client portfolios, although responsibilities vary by individual.

Furthermore, each Fund has engaged an independent public accounting firm to conduct an annual audit of such fund. The Funds provide annual audited financial statements to all applicable investors.

Generally, investors receive a semi-annual letter summarizing the business activities and financial status of the applicable portfolio companies.

Item 14 – Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties

Catalyst does not receive any economic benefit, directly or indirectly from any third party for advice rendered to the Client.

B. Compensation to Non-Advisory Personnel for Client Referrals

Currently, neither Catalyst nor its related persons directly or indirectly compensates any person who is not advisory personnel for Client referrals. If in the future Catalyst enters into such arrangements, this Brochure will be appropriately amended.

Item 15 – Custody

Catalyst and/or its affiliates have custody of its Clients' cash and securities for purposes of Rule 206(4)-2 under the Advisers Act. In accordance with Rule 206(4)-2, the Funds' cash and securities (except for privately placed securities) are maintained at one or more qualified custodians. An independent public accounting firm, which is registered with and subject to inspection by the PCAOB, conducts annual audits of the Funds, and audited financial statements (prepared in accordance with U.S. generally accepted accounting principles) are provided to investors on an annual basis. Such audited financial statements will be provided to investors within 120 days after the end of each fiscal year. Qualified custodians are not expected to provide account statements directly to investors.

Item 16 – Investment Discretion

Catalyst has investment discretion over its Clients' assets, which is limited by the terms of the Clients' offering documents.

Item 17 – Voting Client Securities

Rule 206(4)-6 under the Advisers Act requires every investment adviser who exercises voting authority with respect to client securities to adopt and implement written policies and procedures, reasonably designed to ensure that the adviser votes proxies in the best interests of its clients. Rule 206(4)-6 further requires an adviser to provide a concise summary of its proxy voting process and offer to provide copies of the complete proxy voting policy and procedures to clients upon request. Lastly, Rule 206(4)-6 requires that each adviser disclose to clients how they may obtain information on how the adviser voted their proxies.

Due to the nature of its investment activities, Catalyst generally does not expect to vote proxies with respect to securities owned by the Clients. Nevertheless, to the extent applicable, the Firm will vote any proxies consistent with the best economic interests of the Clients and seek to identify any material conflicts of interests between the Clients' interests and its own interest within the proxy voting process. If the Firm or one of its applicable employees faces a material conflict of interest in voting a proxy, the Firm may engage an independent third party to vote such proxies or take such other actions as it deems necessary or appropriate to mitigate or ameliorate such conflict. Investors in the Funds generally may not direct or influence votes with respect to any proxy solicitation.

Any past proxy voting information would be made available to investors upon request. A copy of the policy and any past proxy voting information may be obtained by writing to Catalyst at the address listed on the cover of this Brochure or by contacting the Chief Compliance Officer at bradgurasich@tcgfunds.com.

Item 18 – Financial Information

Catalyst does not require or solicit prepayment of more than \$1,200 in fees from the Clients six months or more in advance and therefore has not included a balance sheet for its most recent fiscal year. The Firm is not aware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to its Clients and has not been the subject of a bankruptcy petition at any time during the past ten years.