

Item 1: Cover Page

Dauntless Capital Partners LLC

Form ADV Part 2A

2700 Post Oak Blvd, Fl 21
Houston, TX 77056

March 29, 2024

This brochure provides information about the qualifications and business practices of Dauntless Capital Partners LLC (“Dauntless,” “we,” “us,” “our,” or the “Firm”). If you have any questions about the contents of this brochure, please contact us at the address listed above or send us an email at ir@dauntlesscapital.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about Dauntless Capital Partners LLC, an SEC-registered investment adviser, is also available on the SEC’s website at www.adviserinfo.sec.gov. Registration as an investment adviser does not imply a certain level of skill or training.

Item 2: Summary of Material Changes

Since Dauntless' last annual amendment filed in March 2023, Dauntless updated this Brochure as follows:

- Item 4 was updated to include details regarding additional private funds to which Dauntless provides investment advisory services;
- Item 5 was updated to describe additional advisory fees and compensation that Dauntless may receive; and
- Item 8 was updated to add additional risks and conflicts of interest disclosures.

There have been no additional material changes to this Brochure since the last annual amendment filing.

The information disclosed in this brochure is qualified in its entirety by the private placement memorandum, investor disclosure letters and operating agreement of Dauntless Capital Partners LLC. In the event of a conflict between the information disclosed in this brochure and the information in the applicable private placement memorandum, investor disclosure letters and/or operating agreement of Dauntless, such documents shall control.

Item 3: Table of Contents

Item 2: Summary of Material Changes	2
Item 3: Table of Contents	3
Item 4: Advisory Business.....	4
Item 5: Fees and Compensation	5
Item 6: Performance-Based Fees and Side-By-Side Management.....	7
Item 7: Types of Clients.....	8
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss	9
Item 9: Disciplinary Information	9
Item 10: Other Financial Industry Activities and Affiliations.....	25
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	26
Item 12: Brokerage Practices.....	27
Item 13: Review of Accounts	28
Item 14: Referrals and Other Compensation	29
Item 15: Custody	30
Item 16: Investment Discretion	31
Item 17: Voting Client Securities.....	32
Item 18: Financial Information	33

Item 4: Advisory Business

Advisory Firm Description

Dauntless is a Delaware limited liability company founded in 2020 and operates as a private investment advisory firm focused on the acquisition and management of premium hospitality assets across the United States. Dauntless may also, on occasion, invest in private companies outside of the hospitality industry, primarily where there is a majority buyout opportunity. The Firm is principally owned by Chris Harrison, Cramer Williams, Craig Ballard, and Matt Waldrip.

Types of Advisory Services

Dauntless provides investment advisory advice, management, and other services to private investment funds and certain co-investment vehicles (each a “**Fund**” or a “**Client**”, and together, the “**Funds**” or the “**Clients**”), all of which are limited partnerships organized under the laws of Delaware. Certain of the Funds are organized in a master-feeder structure where the feeder fund invests all or substantially all of its assets in, and conducts its investment advisory activities indirectly through, the master fund. Certain of the Funds are organized in a parallel vehicle structure where the parallel vehicles invest proportionately in all main fund transactions. The co-investment vehicles invest in portfolio investments of the other Funds described herein. The Funds seek to acquire and manage premium hospitality assets across the United States. Dauntless Capital Hospitality Fund II GP, LP, a Delaware limited partnership, is a related party of Dauntless and serves as the general partner (the “**General Partner**” or the “**GP**”) of the Funds.

Tailored Advisory Services

Dauntless tailors its investment advice to its Clients’ needs and objectives, as set forth in the private placement memorandum, operating agreement, and other offering documents of the Client (the “**Governing Documents**”). Dauntless has discretion over Client assets; its discretion is limited by any restrictions in the operating agreement and the investment management agreement with the Client. Except as otherwise set forth in the operating agreement, investors generally may not impose any restrictions or limitations on the management or operation of the Clients. Fund investors should refer to the Fund’s Governing Documents for specific information about the Funds.

The Firm does not participate in any wrap fee programs.

Client Assets Under Management

As of December 31, 2023, Dauntless had approximately \$142,144,168 in regulatory assets under management on a discretionary basis.

Item 5: Fees and Compensation

Below is a discussion of how the Firm and its affiliates are compensated in connection with providing advisory services to its Clients. The Firm may enter into different fee arrangements on a Client-by-Client basis. Generally, the Firm, through its affiliates, is entitled to management fees and asset management fees, as more thoroughly described below.

Advisory Fees and Performance Distribution

Fund Fees

Management Fees. The Firm is entitled to an annual management fee (the “Management Fee”) from its Clients based on a percentage of assets under management. The Management Fee for each Client will be negotiated with each such Client but is generally equal to 2% per annum of the aggregate commitments of the limited partner. The Management Fee is calculated and paid each calendar quarter in advance and may be paid either by capital calls or out of distributions from the Fund’s working capital (or a combination of both).

Performance Distribution. The Firm is entitled to a performance distribution (the “Performance Fee”) from its Clients equal to 20% subject to limited partners receiving all capital contributions and a stated preferred return as set out in each of the Funds’ Limited Partnership Agreements.

Portfolio Company Fees

Asset Management Fee. The Firm’s affiliated asset management company is entitled to an asset management fee (“Asset Management Fee”) directly from each portfolio company in which it invests. The Asset Management Fee is paid quarterly in advance and generally ranges up to 1.25% (or 5% per annum) of the adjusted net operating income of the portfolio company for the fiscal quarter. This fee does not offset the Management Fee and is not shared with the Funds.

Operating Fees. The Firm is entitled to operating fees directly from portfolio companies in which it provides operational services for. These fees are charged to the portfolio companies and are paid in accordance with the respective management agreement between the Firm and the portfolio company. These fees do not offset the Management Fee and are not shared with the Funds.

Other Fees

Transaction, Consulting, Directors’, Monitoring, Break Up, and Other Fees. The Firm may charge portfolio companies transaction fees, consulting fees, directors’ fees, monitoring fees, breakup fees, or other similar advisory fees. All such fees that may be attributable to the Funds, net of any expense, are credited against future installments of the Management Fee.

Generally, Fund investors are not permitted to withdraw from the Funds before the expiration of the investment period, and as such are not entitled to a refund of any fees paid in advance.

Lower fees for comparable services may be available from other sources.

Please see the confidential private placement memorandum and the operating agreement of the Clients

for detailed information regarding the performance distributions that may be made to the Firm's affiliates.

Expenses

Partnership Expenses. To the extent not paid or reimbursed by a portfolio company, the Funds will be responsible for all expenses attributable to a Fund's activities including, but not limited to: (i) all expenses, costs and liabilities incurred in connection with the identifying, structuring, negotiating, making, monitoring, sale, proposed sale, other disposition or valuation of portfolio investments; (ii) legal, auditing, consulting and accounting fees and expenses; (iii) business insurance expenses; (iv) expenses associated with the preparation of a Fund's financial statements, tax returns and K-1 forms; (v) extraordinary expenses (such as litigation and indemnification, if any); (vi) expenses relating to transactions which are not consummated; (vii) all taxes, fees and other governmental charges payable by a Fund; (viii) communications expenses; (ix) all expenses and costs associated with meetings of the limited partners; (x) all expenses and costs of the limited partner advisory committee; (xi) the repayment of principal and interest of, and all expenses incurred in connection with, any indebtedness of a Fund or other credit arrangement (including any line of credit, loan commitment or letter of credit for a Fund or related to any portfolio investment (or any underlying asset)); (xii) expenses incurred in connection with the maintenance of a Fund's books of account and the preparation of audited or unaudited financial statements, the preparation of tax returns, cash management expenses, insurance and legal expenses and other routine administrative expenses of a Fund or its subsidiaries, including, but not limited to, fees and expenses of independent auditors, accountants and legal counsel, expenses and costs of any employees of the Firm or its affiliates that perform accounting or tax return preparation services that would otherwise be performed by third parties, the costs and expenses of preparing and circulating any reports and any fees or imposts of a governmental authority imposed in connection with such books and records and statements; and (xiii) organizational expenses.

Organizational Expenses. The expenses incurred in connection with the organization and funding of the Funds, the General Partner and any parallel investment entities up to a maximum of \$2 million, including but not limited to legal, travel, printing and communication costs incurred by the General Partner, will be paid by the applicable Fund. Any such expenses in excess of \$2 million will be paid by the applicable Fund, but any such excess payments will be credited against future installments of the Management Fee. In addition, any placement agent fees paid by a Fund shall reduce, on a dollar-for-dollar basis, the amount of unpaid future Management Fee.

Compensation for Sale of Securities

Other than as described above, neither the Firm nor any of its supervised persons shall receive any additional compensation from the sale of securities or other investment products.

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

Dauntless receives performance-based fees from its Clients as more thoroughly outlined in Item 5 above. Such payments are structured to comply with Section 205(a)(1) of the Investment Advisers Act of 1940, as amended (the “Advisers Act”), in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3.

Performance-based fees, in general, may create an incentive for an adviser or its supervised persons to make investments that are riskier and more speculative than would be the case in the absence of a performance-based fee. Such fee arrangements may also create an incentive to favor higher fee paying clients over other clients in the allocation of investment opportunities. The possibility of this incentive to make riskier or more speculative investments is offset, in part, by the fact that the carried interest allocation is generally calculated only after investors have received as distributions 100% of their capital contributions plus a stated preferred return. In addition, this risk is further mitigated by a claw back provision that requires the return of some or all of the carried interest allocation if the applicable advisory client does not satisfy certain performance hurdles.

Item 7: Types of Clients

Dauntless currently provides investment advisory services to private funds. Investment advice is provided directly to a Fund (subject to the direction and control of the general partner of each such Fund, if applicable) and not individually to investors in such Fund. Details concerning applicable suitability criteria for investors in the Funds are set forth in the respective Governing Documents.

Dauntless typically requires a minimum commitment size in the amount of \$5,000,000 for each investor in the Funds. The General Partner of each Fund may, in its sole discretion, permit investments below the minimum amounts set forth in the Governing Documents of such Fund.

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

The following discussion of the Firm's strategies and risks is a summary of the discussion in, and is qualified in its entirety by, a Fund's private placement memorandum.

Methods of Analysis and Investment Strategies

Dauntless' primary investment strategy is to invest in a diversified portfolio of hospitality assets operated by hospitality management companies that have sustainable competitive advantages within specific markets or segments of the hospitality industry, as well as any businesses that are ancillary to such hospitality assets. Dauntless may also, on occasion, invest in private companies outside of the hospitality industry, primarily where there is a majority buyout opportunity.

Certain Material Risks

As with any investment, loss of principal is a risk of investing. Risk is the chance that an investment's or investment strategy's actual return will be different than expected. Risk includes the possibility of losing some or all of the original investment. A fundamental idea in finance is the relationship between risk and return. The greater the amount of risk that an investor is willing to take on, the greater the potential return. The reason for this is that investors need to be compensated for taking on additional risk. *The various risks outlined below are not the only risks associated or that may be associated with an investment in a Client. The following risks are qualified in their entirety by the risks set forth in the private placement memorandum of each of the Clients.*

GENERAL

All securities investments risk the loss of capital. Investing in the Funds involve a significant degree of risk and no guarantee or representation is made that a Fund will achieve its investment objective or that a limited partner of a Fund ("Limited Partner") will receive a return of its capital. Making an investment in a Fund is speculative. As such, a Limited Partner should have the ability to sustain the loss of its entire investment in a Fund. In addition, there will be occasions when the Firm and its affiliates may encounter potential conflicts of interest in connection with the Funds. In evaluating whether to make an investment in a Fund, potential investors should consider all information contained in the offering documents. The following discussion does not purport to be an exhaustive explanation of all of the risks and significant considerations involved in a purchase of Interests, and each prospective investor should consult with such investor's own advisors before purchasing an Interest in the Funds.

BUSINESS RISKS

General Economic Conditions. General economic conditions may affect a Fund's activities. Interest rates, general levels of economic activity, the price of securities and participation by other investors in the financial markets may affect the value and number of investments made by the Funds or considered for prospective investment. The value of investments may fluctuate in accordance with changes in the financial condition of portfolio companies and other factors that affect the markets in which the Fund invests. Economic slowdowns or downturns could lead to financial losses in the assets of a Fund. In addition, many portfolio companies may be similarly subject to the same economic conditions, which could adversely impact a Fund's returns.

Geopolitical Risks. An unstable geopolitical climate and continued threats of terrorism could have a material effect on general economic conditions, market conditions and market liquidity. Additionally, a natural disaster or, as described further in the immediately following paragraph, a serious pandemic could severely disrupt the global, national and/or regional economies. A resulting negative impact on economic fundamentals and consumer confidence may increase the risk of default of particular investments, negatively impact market value, increase market volatility and cause credit spreads to widen and reduce liquidity, all of which could have an adverse effect on the Fund's returns and ability to make new investments. No assurance can be given as to the effect of these events on the value of or markets for investments.

Illiquid and Long-Term Investments. Although the Funds' investments may generate current income, the return of capital and the realization of gains, if any, from an investment generally will most likely occur only upon the partial or complete disposition of such investment. While a Fund investment may be sold at any time, it is generally expected that the disposition of most of the Funds' investments will not occur for a number of years after such investments are made. It is unlikely that there will be a public market for the securities held by the Funds at the time of their acquisition. The Funds generally will not be able to sell its securities publicly unless their sale is registered under applicable securities laws, or will be able to sell the securities only under Rule 144 or other rules under the Securities Act which permit only limited sales under specified conditions. In addition, in some cases, the Funds may be prohibited or limited by contract from selling certain securities for a period of time, and as a result, may not be permitted to sell a Fund investment at a time it might otherwise desire to do so.

Epidemics, Pandemics, Outbreaks of Disease and Public Health Issues. The Funds' business activities, and its operations and investments, could be materially adversely affected by epidemics, pandemics and outbreaks of disease in Asia, Europe, North America and/or globally or regionally, such as novel coronavirus, or COVID-19, Ebola, H1N1 flu, H7N9 flu, H5N1 flu, Severe Acute Respiratory Syndrome, or SARS, and/or other epidemics, pandemics, outbreaks of disease, viruses and/or public health issues. In December 2019, an outbreak of a novel strain of coronavirus ("COVID-19") emerged globally. Although it is not possible to estimate reliably the length or severity of this outbreak and hence its financial impact, the Funds' business and investments could be materially and adversely affected by the risks, or the public perception of the risks, related to the recent outbreak of COVID-19, and the impact of the outbreak on regional and global economic activity. The extent of the COVID-19 impact on the Funds' operational and financial performance and their investments will depend on future developments, including the duration and spread of the outbreak. Should these or other major public health issues, including pandemics, arise or spread farther (or continue to spread or materially impact the day to day lives of persons around the globe), the Funds could be adversely affected by such actions as more stringent travel restrictions, additional limitations on the Funds' operations or business and/or governmental actions limiting the movement of people between regions and other activities or operations (or to otherwise stop the spread or continued spread of any disease or outbreak).

Highly Competitive Market for Investment Opportunities. The activity of identifying, completing and realizing on attractive investments is highly competitive and involves a high degree of uncertainty, especially with regards to timing. In addition, the process of searching for an appropriate investment is highly complex. Even if investment opportunities are identified, there is no assurance that a Fund's bids to acquire interests in such investments will be successful; and upon a successful bid, legal or contractual transfer restrictions, including rights of first refusal, change of control and other similar provisions applicable to such investment may prevent the Funds from acquiring all or a portion of such investment.

In addition, the Management Company may not be able to obtain as favorable terms as it would otherwise in a less competitive investment environment. The availability of investment opportunities generally will be subject to market conditions as well as the prevailing regulatory or political climate. The Funds will be competing for investment opportunities against various other groups, including industry participants. Furthermore, additional funds with similar investment objectives as the Funds may be formed in the future by unrelated parties. As a result, there can be no assurance that the Funds will be able to identify and complete investments that satisfy their investment objectives, or realize the value of such investments, or that they will be able to invest fully their Capital Commitments. The difficulty in identifying and gaining access to attractive investment opportunities also applies to the management teams of the portfolio companies, who may be unable to fully invest all of the capital committed to such portfolio companies by the Funds. The Funds and their portfolio companies may incur significant expenses investigating potential investments which are ultimately not consummated, including expenses related to due diligence, transportation, legal expenses and the fees of other third-party advisors. However, the Limited Partners will be required to pay the Management Fee based on aggregate Capital Commitments during the Investment Period.

Projections. The Funds may rely upon projections developed by the Management Company or a portfolio company concerning a portfolio company's future performance, outcome, and cash flow. Projections are inherently subject to uncertainty and factors beyond the control of the Management Company and the portfolio company and shall not be regarded by any prospective investor as a guarantee, prediction, definitive statement of fact or probability. In addition, privately held companies in which the Funds may invest generally maintain less comprehensive financial information and provide less disclosure than listed companies. Therefore, the General Partner may make investment decisions and monitor such investments after reviewing information that is less comprehensive than that available with respect to a listed public company. The inaccuracy of certain assumptions, the failure to satisfy certain requirements and the occurrence of other unforeseen events could impair the ability of a portfolio company to realize projected values, outcomes and cash-flow.

Disposition of Private Investments. Many of the Funds' investments will involve private securities. In connection with the disposition of an investment in private securities, the Funds may be required to make representations about the business and financial affairs of the portfolio company typical of those made in connection with the sale of a business or may be responsible for the contents of disclosure documents under applicable securities laws. The Funds also may be required to indemnify the purchasers of such investment to the extent that any such representations turn out to be inaccurate. These arrangements may result in the incurrence of contingent liabilities that may ultimately yield funding obligations that must be satisfied by the Limited Partners to the extent of distributions made to such Limited Partner.

Expedited Transactions. Investment analyses and decisions by the General Partner may frequently be required to be undertaken on an expedited basis to take advantage of investment opportunities. In such cases, the information available to the General Partner at the time an investment decision is made may be limited, and the General Partner may not have access to detailed information regarding the investment. Therefore, no assurance can be made that the General Partner will have knowledge of all circumstances that may adversely affect an investment.

Labor Relations. Certain portfolio companies may have unionized work forces or employees who are covered by a collective bargaining agreement, which could subject any such portfolio company's activities and labor relations matters to complex laws and regulations relating thereto. Moreover, a portfolio company's operations and profitability could suffer if it experiences labor relations problems. Upon the

expiration of any such portfolio company's collective bargaining agreements, it may be unable to negotiate new collective bargaining agreements on terms favorable to it, and its business operations at one or more of its facilities may be interrupted as a result of labor disputes or difficulties and delays in the process of renegotiating its collective bargaining agreements. A work stoppage at one or more of a portfolio company's facilities could have a material adverse effect on its business, results of operations and financial condition. Any such problems additionally may adversely affect the Fund's ability to implement its investment objectives.

Bridge Financings. From time to time, the Funds may lend to portfolio companies on a short-term, unsecured basis or otherwise invest on an interim basis in portfolio companies in anticipation of a future issuance of equity or long-term debt securities or other refinancing or syndication. However, for reasons not always in the Funds' control, such long-term securities issuance or other refinancing or syndication may not occur, and such bridge loans and interim investments may remain outstanding. In such event, the interest rate on such loans or the terms of such interim investments may not adequately reflect the risk associated with the position taken by the Funds.

Control Position. The Funds will generally seek investment opportunities that allow the Funds to acquire control or exercise influence over management and the strategic direction of portfolio companies in which it invests. The acquisition of control or the exercise of control or influence over a company imposes additional risks of liability for environmental damage, product defects, failure to supervise management, pension plan liabilities and other types of liability in which the limited liability generally characteristic of business operations may be ignored. The acquisition of control or the exercise of control or influence over a portfolio company could expose the assets of the Funds to claims by such portfolio company, its security holders and its creditors. While the General Partner intends to manage the Funds in a way that will minimize exposure to these risks, the possibility of successful claims cannot be precluded.

Nature of Investments. While investments in leveraged companies offer the opportunity for capital appreciation, such investments also involve a high degree of risk. The Funds' portfolio companies may be highly leveraged and therefore may be more sensitive to adverse business or financial developments or economic factors, such as rising interest rates, downturns in the economy or deteriorations in the conditions of such portfolio company or its industry, which may have a more pronounced effect on the profitability or survival of such companies. If for any of these reasons a portfolio company is unable to generate sufficient cash flow to meet principal or interest payments on its indebtedness or make regular dividend payments, the value of the Funds' investment in such portfolio company could be significantly reduced or even eliminated.

Litigation. Litigation can and does occur in the ordinary course of the management of an investment portfolio of securities. The Funds may be engaged in litigation both as a plaintiff and as a defendant. This risk is somewhat greater where the Funds exercise control or significant influence over a portfolio company's direction, including as a result of board participation. Such litigation can arise as a result of issuer default, issuer bankruptcies and/or other reasons. In certain cases, such issuers may bring claims and/or counterclaims against the Funds, the General Partner, the Management Company and/or their respective principals and affiliates alleging violations of securities laws and other typical issuer claims and counterclaims seeking significant damages. The expense of defending against claims made against the Funds by third parties and paying any amounts pursuant to settlements or judgments would be borne by the respective Fund to the extent that (i) the Fund has not been able to protect itself through indemnification or other rights against the portfolio companies, (ii) the Fund is not entitled to such protections or (iii) the portfolio company is not solvent. The Management Company, the General Partner

and others may be indemnified by the Funds, as noted above, in connection with such litigation, subject to certain conditions.

Third-Party Advice. The Funds, the General Partner and the Management Company utilize the services of experts, including without limitation, attorneys, accountants, bankers and other consultants in their operations. The Funds, the General Partner, and the Management Company generally rely upon such advisors for their professional judgment with respect to legal, tax and other regulatory matters. Nevertheless, there exists a risk that such advisors may provide incorrect advice from time to time. None of the Funds, the General Partner or the Management Company will have any liability to the Limited Partners for any reliance upon such advice (provided that such advisors have been selected with reasonable care).

Cybersecurity Breaches. Each of the Funds, the General Partner and the Management Company is subject to risks associated with a breach in its cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from “hacking” by other computer users, other unauthorized access and the resulting damage and disruption of hardware and software systems, loss or corruption of data, as well as misappropriation of confidential information. If a cybersecurity breach occurs, the Funds may incur substantial costs, including those associated with: forensic analysis of the origin and scope of the breach; investment losses from sabotaged trading systems; identity theft; unauthorized use of proprietary information; litigation; adverse investor reaction; the dissemination of confidential and proprietary information; reputational damage; and increased and upgraded cybersecurity. Any such breach could expose the General Partner, the Management Company and the Funds to civil liability, as well as regulatory inquiry or action. In addition, Limited Partners could be exposed to additional losses as a result of unauthorized use of their personal information.

Non-Controlling Investments. The Funds may hold a non-controlling interest in portfolio companies, and thus may have limited influence. Such portfolio companies may have economic or business interests or goals that are inconsistent with those of the Funds, and the Funds may not be in a position to limit or otherwise protect their position in such portfolio companies. The Funds’ control over the investment policies of portfolio companies may also be limited. This could result in the Funds’ investments being frozen in minority positions that incur substantial loss. Therefore, there can be no assurance that the Funds will be able to realize the value of their investments and distribute proceeds in a timely manner. In addition, although the Funds will generally seek board representation in connection with their non-controlling investments, there is no assurance that such representation, if sought, will be obtained.

RISK RELATED TO REAL ESTATE IN GENERAL

Real Estate Risk. Investing in real estate and real estate related instruments is subject to numerous market risks, cyclicity and other uncertainties. The cyclicity and leverage associated with real estate and real estate related investments have historically resulted in periods, including significant periods, of adverse performance, including performance that may be materially more adverse than the performance associated with other investments. The Funds’ real estate-related investments relate to, or are secured by, properties of varying types, geographic locations, owners, tenants and other factors which could make such investments susceptible to particular types of risks relating to such factors, including:

- general economic conditions and local economy;
- credit and interest rates;
- developments or trends in a particular industry;

- special hazards and structural risks;
- the financial condition of tenants, buyers and sellers of properties;
- risks of fraud, delayed construction arising in investments in new development;
- changes in the terms, amount or availability of debt financing;
- changes in real estate tax rates, the price of insurance and other operating expenses;
- changes in popularity of property types and locations;
- changes in the appeal of assets to tenants;
- changes in supply of and demand for competing real estate in an area (for instance, as a result of overbuilding);
- presence of certain construction materials;
- environmental laws and regulations;
- zoning laws and other governmental rules and fiscal policies;
- eminent domain;
- governmental regulation and changes thereto that may result in increased costs with respect to investments, including as a result of enhanced scrutiny of the private investment fund industry and the financial services industry;
- regulatory limitations on rent;
- environmental claims arising in respect of real estate acquired with undisclosed or unknown environmental problems or as to which inadequate reserves had been established;
- dependence on cash flow;
- potential limited recourse against prior owners or third parties with respect to unknown liabilities;
- cybersecurity breaches;
- uninsurable losses, including inadequate coverage against liability to third parties and property damage;
- acts of God, terrorist attacks, wars; and
- other factors beyond the control of the General Partner.

Risks of Real Estate Ownership. The Funds' performance is subject to risks incident to the ownership of real estate and real estate related assets, including without limitation, the burdens of ownership of real property; inability to collect rents from tenants due to financial hardship, including bankruptcy; changes in local real estate conditions in the markets in which the Funds invest; changes in consumer trends and preferences that affect the demand for products and services offered by the relevant tenants; inability to lease or sell properties upon expiration or termination of existing leases; environmental risks related to the presence of hazardous or toxic substances or materials on the relevant properties; the subjectivity of real estate valuations and changes in such valuations over time; and the illiquid nature of real estate compared to other financial assets. For example, increased competition for tenants may require the Funds to make capital improvements to assets which would not have otherwise been planned. Any unbudgeted capital improvements that the Funds undertake may divert cash that would otherwise be available for distribution to Limited Partners. The occurrence of any of the risks described above may cause the value of the Funds' real estate investments to decline, which would materially and adversely affect the Funds.

Illiquidity of Real Estate Investments. Because real estate investments are relatively illiquid, the Funds' abilities to promptly sell one or more properties in their portfolios in response to changing economic, financial and investment conditions is limited. The real estate market is affected by many factors that are beyond the Funds' control, including changes in governmental laws and regulations, fiscal policies and zoning ordinances and costs of compliance with laws and regulations, fiscal policies and ordinances; the ongoing need for capital improvements, particularly in older structures; changes in lease rates and operating expenses; and civil unrest, acts of war and natural disasters, including earthquakes and floods,

which may result in uninsured and underinsured losses.

A Fund cannot predict whether it will be able to sell any property for the price or on the terms set by it, or whether any price or other terms offered by a prospective purchaser would be acceptable to a Fund. A Fund also cannot predict the length of time needed to find a willing purchaser and to close the sale of a property. Moreover, in acquiring an asset, A Fund may agree to lock-out provisions that materially restrict it from selling that asset for a period of time or impose other restrictions, such as a limitation on the amount of debt that can be placed on that asset. These factors and any others that would impede a Fund's ability to respond to adverse changes in the performance of its properties could harm its operating results and financial condition, as well as its ability to make distributions to the Limited Partners.

Real Estate Investments with Third Parties. The Funds may make investments through unaffiliated sponsors, joint ventures or other entities with third parties including operating partners, joint venture partners and/or property managers. Third party operating partners, joint venture partners and/or property managers will be given a certain degree of authority and responsibility for daily management of the assets and, therefore, the Funds will in large part be dependent on the ability of third parties to successfully operate the underlying real estate assets. In addition, investments made through joint ventures or entities with third parties may involve risks not present in investments where a third party is not involved, including dysfunctional management, increased costs, greater illiquidity, the possibility that a third-party partner or co-investor may have financial difficulties resulting in a negative impact on such investment, may have economic or business interests or investment objectives which are inconsistent with those of the Funds, or may be in a position to take or block action, contrary to a Fund's investment objectives. In addition, agreements governing joint ventures often contain restrictions on the transfer of a joint venturer's interest, "buy-sell" mechanisms or similar provisions that may result in a requirement that a Fund purchase or sell its interest at a disadvantageous time or on disadvantageous terms. The Funds will be subject to various costs and fees relating to such ventures. The operating partners and property management teams retained in connection with the Funds' investments, as well as brokers, finders, investment bankers, consultants and other advisers, generally are compensated by the Funds, their subsidiaries or the joint venture (and not by the Sponsor), with fixed and/or performance-based fees, profit allocations, and/or salaries for their services. In addition, the Funds may in certain circumstances be liable for the actions of their third-party partners.

Projections and Third-Party Reports. The General Partner generally will establish the capital structure of an investment and the terms and target returns of such investment on the basis of financial, macroeconomic, and other applicable projections. In addition, the Funds may invest in portfolio investments based on third-party projections, valuations and reports. Projected operating results will normally be based primarily on investment executive judgments or third-party advice and reports. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the projections are developed. There can be no assurance that the projected results will be achieved, and actual results may vary significantly from the projections. General economic, natural, and other conditions, which are not predictable, can have an adverse impact on the reliability of such projections. Assumptions or projections about asset lives; the stability, growth, or predictability of costs; demand; or revenues generated by an investment or other factors associated therewith may, due to various risks and uncertainties including those described herein, differ materially from actual results.

Cash Flow Risks. The economic viability of the properties a Fund may acquire is dependent upon its ability to lease the properties at rents and on terms that will continue to generate positive cash flow. In the event a Fund's actual expenses are greater than projected expenses, a Fund may not be able to generate positive

cash flow. The existence of competitive commercial space in the areas in which the Funds' properties will be located, which may be priced at levels lower than those the Funds anticipate charging for space or which may have facilities superior to those of a Fund's properties, may adversely affect cash flow. In addition, the Funds will be dependent, to some extent, on the creditworthiness of tenants. Furthermore, local taxing authorities are likely to reassess the properties that the Funds acquire, resulting in increased property taxes. Although the cost of such increases may be passed along to certain tenants pursuant to the relevant provisions of these leases, actual payment of the real estate taxes will be, ultimately, a Fund's responsibility as owner of the properties.

Environmental Liabilities. Under various U.S. federal, state and local environmental laws, ordinances and regulations, a current or previous owner of real estate (including, in certain circumstances, a secured lender that succeeds to ownership or control of a property) may become liable for the costs of removal or remediation of certain hazardous or toxic substances at, on, under or in its property. Those laws typically impose cleanup responsibility and liability without regard to whether the owner or control party knew of or was responsible for the release or presence of such hazardous or toxic substances. The costs of investigation, remediation or removal of those substances may be substantial. The owner or control party of a site may be subject to common law claims by third parties based on damages and costs resulting from environmental contamination emanating from a site. Certain environmental laws also impose liability in connection with the handling of or exposure to asbestos containing materials, pursuant to which third parties may seek recovery from owners of real properties for personal injuries associated with asbestos containing materials. Absent succeeding to ownership or control of real property, a secured lender is not likely to be subject to any of these forms of environmental liability. If the Funds ever succeed to ownership or control of a property and becomes subject to significant environmental liabilities, the Funds' business, financial condition, liquidity, and results of operations could be materially and adversely affected.

Litigation at the Property Level. The acquisition, ownership and disposition of real properties carry certain specific litigation risks. Litigation may be commenced with respect to a property acquired by a Fund or its subsidiaries in relation to activities that took place prior to a Fund's acquisition of such property. In addition, at the time of disposition of an individual property, a potential buyer may claim that it should have been afforded the opportunity to purchase the asset or alternatively that such potential buyer should be awarded due diligence expenses incurred or statutory damages for misrepresentation relating to disclosure made, if such buyer is passed over in favor of another as part of a Fund's efforts to maximize sale proceeds. Similarly, successful buyers may later sue the Fund under various damage theories, including those sounding in tort, for losses associated with latent defects or other problems not uncovered in due diligence.

Uninsured Losses. The Funds' liability, casualty, and other insurance policies with respect to their properties are subject to customary limits on and exclusions from coverage. Certain types of losses (such as from wars and acts of terrorism) are not insured because they are either uninsurable or not economically insurable. Should an uninsured loss or a loss in excess of insured limits occur, a Fund could lose the capital invested in its property as well as the anticipated future revenue from the property, while remaining obligated for any mortgage indebtedness or other financial obligations related to the property. Accordingly, an uninsured loss or a loss in excess of insured limits could adversely affect the Funds.

In addition to the foregoing risks, there can be no assurance that particular risks that are currently insurable will continue to be insurable on an economical basis. All assets of the Funds may be at risk in the event of an uninsured liability to a third party.

RISKS RELATED TO THE HOSPITALITY INDUSTRY

Operating Risks. The hospitality industry is subject to various operating risks which could adversely impact the Fund's investments, including without limitation, competition from other hotel properties, financial resources of competitive hotels and room rates for hotels near the properties in which the Funds invest, overbuilding of hotels, which results in increased supply and adversely affects occupancy and revenues of hotels, dependence on business and commercial travelers and tourism, increases in operating costs due to inflation, increased energy and labor costs and other factors that may not be offset by increased room rates, changes in interest rates and in the availability, cost and terms of debt financing, increases in assessed property taxes from changes in valuation or real estate tax rates, enactment of unfavorable real estate taxes, hospitality taxes, environmental or zoning laws and hazardous material laws, increases in the cost of property insurance, uninsured losses, availability of vendors for hotel services, fees and availability of contractors for renovations, continued availability and enforceability of licensing and branding agreements, changes in government laws and regulations, fiscal policies and zoning ordinances and the related costs of compliance with such laws, regulations, policies and ordinances, force majeure events, such as terrorist attacks, travel related health concerns, travel-related accidents and unusual weather patterns, adverse changes in local population trends and neighborhood values, adverse effects of national, regional and local economic, market and social conditions which may, among other things, affect travel patterns, availability of hotel employees, adverse effects of a downturn in the lodging industry and risks generally associated with the ownership of hotel properties and real estate.

Competition. The hospitality industry is highly competitive. All hotels compete on the basis of location, room rates, quality, service levels, amenities, reputation and reservation systems, among many other factors. New hotels may be constructed and these additions to supply create new competitors, in some cases without corresponding increases in demand for hotel rooms. The hotel industry is also seasonal in nature, and such seasonality can cause quarterly fluctuations in the hotels' financial condition and operating results, such as reduced cash flow and thus lower profits. Many real estate costs, such as taxes, insurance premiums and maintenance costs are fixed and are not reduced even when a hotel is not fully occupied, resulting in a reduction of revenues. Recently there has been an increase in travelers booking through internet travel intermediaries, such as Expedia.com and Travelocity.com. As such bookings increase, the intermediaries may be able to reduce room rates and other contract concessions from management companies. Therefore, if the amount of sales made through internet intermediaries increases significantly, room revenues may be lower than expected.

Risks of Opportunistic Investments. The Funds may seek higher returns by acquiring opportunistic and underperforming value-added properties in need of better management, repositioning, physical improvements and other enhancements. Thus these properties may not generate positive cash flow (or may have a cash deficit and require significant cash). There may be unanticipated delays in, or increases in the cost of, improving or repositioning such properties which are beyond the control of the General Partner. Further, there is no assurance the General Partner and its affiliates will be successful in improving the cash results of the properties, as this depends in a significant part on a number of factors beyond the General Partner's control, including general or local economic conditions, and demand for hotel rooms, residential and commercial real estate in the local market. Thus, opportunistic and underperforming value-added properties may pose greater investment risk than fully stabilized properties.

Capital Expenditures. Hotel properties typically require ongoing renovations and other capital improvements, including periodic replacement or refurbishment of furniture, fixtures, and equipment. If

capital expenditures exceed expectations, there can be no assurance that sufficient sources of financing will be available to fund such expenditures. Renovation of hotels involves numerous risks, including the possibility of environmental problems, construction cost overruns and delays, the impact on current demand, uncertainties as to market demand or deterioration in market demand after renovation commences and the emergence of unanticipated competition from other hotels. The costs of these capital improvements could adversely affect the performance of hotel properties, and consequently a Fund's investments relating to such properties.

Industry Seasonality. The hotel industry is seasonal in nature. This seasonality can be expected to cause quarterly fluctuations in the revenues generated by hotel properties. For example, revenue for business hotels is generally greater in the second and third quarters of a calendar year, but may be affected by global and national business conditions, including, without limitation, company travel budgets and business development planning. As a result of seasonal variations, financing may need to be obtained in certain quarters to offset these fluctuations, which may not be available on favorable terms or at all.

Franchises. Hotel properties may be operated as members of a hotel franchise. Termination of the applicable franchise agreements or any negative publicity or other circumstances that adversely affect the franchisors or their brand could adversely affect the properties. A franchisor may require the hotel owner or operator to make capital expenditures from time to time, or may require that certain renovations be made to the property in connection with renewals of the franchise agreement or upon any inspection of the property. Such specifications and standards may become more stringent and difficult to comply with over time. The failure to make any expenditures required by a franchisor, or to comply with the applicable specifications and standards, could result in the termination of the applicable franchise agreement. A franchisor typically provides marketing support, services related to room reservations and certain other operating assistance. If the franchise agreement expires or is terminated, the hotel owner or operator may not be able to renew it on favorable terms or at all. If the franchise were to be lost, it could harm the operations of the property due to the loss of the franchise name, marketing support and centralized reservation system, which could adversely affect a Fund's returns.

Internet-Based Reservation Systems. Although many of the rooms sold on the internet are sold through websites maintained by hotel franchisors and operators, a growing number of rooms are sold through independent internet sites. Typically, these independent internet sites purchase rooms at a negotiated discount from participating properties, which could result in lower average room rates compared to the room rates that the franchisor or operator may have obtained. If the discount or the amount of rooms sold using the internet were to be significant, a hotel property's operating results could be adversely affected.

Revenues from Commercial and Retail Tenants. Although the operating results of hotel properties depend largely on cash flows from operations, their business may also depend on revenues from commercial, signage and retail tenants at the properties. Hotel properties must compete with other properties and operators for these commercial and retail tenants, and could fail to generate sufficient revenue if, for example, a significant number of commercial and/or retail tenants are unable to meet their lease obligations, or the hotel owners or operators are unable to lease, renew leases for, or re-let a sufficient amount of commercial or retail space at the properties on economically favorable terms.

Risks Related to Economic Conditions. Hotels are particularly vulnerable to the risks that economic conditions or employment conditions may decline in the country resulting in decreased vacation or travel

time by potential guests. Any of these developments likely would have an adverse impact on the size or affluence of the potential guest population in the area and a negative impact on the occupancy rates, room rents and property values of hotels in the area. Unlike many other types of real estate investment, hotels do not have guests occupying large portions of the property for extended periods of time in order to provide reliable sources of income. Instead, such properties will typically have individual guests with fluctuating visits lengths. Hotels experience frequent guest turnover due to factors such as reduced vacation lengths, new competition in the area, and changes in the guests' economic status. In addition to continuously needing to replace vacating guests, guest turnover at hotels causes property owners to incur rehabilitation and maintenance costs in order to prepare hotel rooms for new guests. Fluctuations in occupancy rates, hotel room rate schedules and operating expenses can adversely affect operating results or render the sale or refinancing of such properties difficult or unattractive.

If efforts to increase occupancy and revenue levels of distressed hospitality properties are not successful, the operating results of such hospitality properties could be substantially adversely affected by the loss of revenue and possible increase in operating expenses. The General Partner cannot assure that certain assumptions as to the future levels of occupancy of such properties, cost of repositioning such properties in the marketplace or future costs of operating such properties will be accurate since such matters will depend on events and factors beyond the control of the General Partner. A Fund's ability to make required payments on any loans related to such properties and to make distributions to the investors will be adversely affected if hospitality properties fail to generate sufficient net operating income.

MANAGEMENT RISKS

Reliance on the Funds' Management Team. The success of the Funds depends in substantial part upon the skill and expertise of the management team and others providing investment advice with respect to the Funds. There can be no assurance that these key investment professionals will continue to be associated with the General Partner, the Management Company or their respective affiliates throughout the life of the Funds. The loss of key personnel could have a material adverse effect on a Fund's ability to realize its investment objectives.

Portfolio Company Management Risks. With respect to management at the portfolio company level, many portfolio companies rely on the services of a limited number of key individuals, the loss of any one of whom could significantly adversely affect the portfolio company's performance. There can be no assurance that the existing management team of a portfolio company, or any new team, will be able to successfully operate such portfolio company, or will meet a Fund's expectations. Although the General Partner and the Management Company expect to monitor portfolio company management, management of each portfolio company will have day to day responsibility with respect to the business of such portfolio company asset. In addition, certain portfolio companies may operate in highly regulated environments, and the Funds will likely rely on the management teams to manage their activities in a manner consistent with applicable laws and regulations (including, without limitation, the U.S. Foreign Corrupt Practices Act and other anti-corruption, anti-bribery and anti-boycott laws, regulations and orders) and in a manner which will permit such portfolio company to maintain a quality reputation. If a portfolio company acts inconsistently with applicable laws and regulations or takes actions that cause such portfolio company disrepute, such actions may adversely affect a Fund, as an investor in such portfolio company, and may damage a Fund's reputation, which may adversely impact a Fund's ability to complete investments in other portfolio investments and a Fund's ability to realize its investment objective.

Board Participation. The Funds may be represented on the boards of directors of certain of their portfolio

companies or may have its representatives serve as observers to such boards of directors. Although such positions in certain circumstances may be important to a Fund's investment strategy and may enhance the General Partner's and the Management Company's ability to manage the investments, they may also have the effect of impairing the General Partner's ability to sell the related securities when, and upon the terms, it may otherwise desire, and may subject the General Partner, the Management Company and a Fund to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims and other director-related claims. In general, the Funds will indemnify the General Partner and the Management Company from such claims.

CONFLICTS OF INTEREST

Investors should be aware that there will be occasions when the General Partner and its affiliates may encounter potential conflicts of interest in connection with the Funds' activities. There can be no assurance that the General Partner will resolve all conflicts of interest in a manner that is favorable to the respective Fund. By acquiring an Interest in a Fund, each Limited Partner will be deemed to have acknowledged the existence of any such actual or potential conflicts of interest and to have waived any claim with respect to any liability arising from the existence of any such conflict of interest. The following discussion describes certain potential conflicts of interest that should be carefully evaluated before making an investment in the Funds.

Performance Allocation. The existence of the General Partner's carried interest in the circumstances described above under "Summary of Principal Terms – Distributions" may create an incentive for the General Partner to make more speculative investments on behalf of the Funds than it would otherwise make in the absence of such performance-based arrangement, although the Capital Commitment to the Funds by the General Partner and its affiliates and the General Partner's clawback should tend to reduce this incentive. In addition, changes to the Code enacted in the Tax Cuts and Jobs Act ("TCJA") in December 2017 could encourage the General Partner to cause the Funds or any entity through which they invest, to hold investments for longer than they otherwise would. Specifically, under the TCJA, to the extent income allocated in respect of any carried interest distribution includes realized gains, those gains may be eligible for long-term capital gains treatment by the General Partner (and subject to tax at a lower rate) only to the extent that the Funds (or any entity through which they invest) held the relevant assets for at least three years.

Portfolio Company Fees. The Management Company and its affiliates may receive certain transaction fees, advisory fees, break-up fees, monitoring fees and other similar fees from portfolio companies and in connection with unconsummated transactions. The Management Company's ability to receive such fees from portfolio companies for performing consulting and other services for, or serving as directors (or similar positions) of, such portfolio companies represents a conflict of interest to the extent that a Fund has or will have control or significant influence over such portfolio companies, although this potential conflict of interest is mitigated by the fact that the amounts of such fees is typically negotiated with the applicable portfolio company's management team and/or any roll-over equity holders, as well as the fact that an amount equal to one hundred percent (100%) of the Limited Partners' portion of such fees attributable to a Fund will be used to reduce future Management Fee amounts payable to the Management Company. See "Summary of Principal Terms – Transaction, Break-up and Other Fees."

Co-investment Opportunities. The General Partner may, but will not be obligated to, offer co-investment opportunities to Limited Partners. Investing in a Fund does not entitle any Limited Partners to allocations of co-investment opportunities. Decisions regarding whether and to whom to offer such co-investment opportunities are made at the sole discretion of the General Partner and are expected to be offered to

some but not all Limited Partners (with allocations that are expected to differ from such Limited Partners' proportionate investment in a Fund) and/or to third parties and will likely be based on a number of factors including, without limitation, the General Partner's evaluation of (i) the size and financial resources of a potential co-investment party, (ii) the ability of such potential co-investment party to efficiently and expeditiously participate in such investment opportunity, (iii) confidentiality concerns in connection with providing such potential co-investment party information relating to the investment opportunity, (iv) Dauntless' past experiences and relationships with such potential co-investment party, (v) whether such co-investment opportunity is likely to subject such potential co-investment party or the potential portfolio company to legal, regulatory, reporting, public relations, media or other concerns, (vi) whether the profile or characteristics of the potential co-investment party may have an impact on the viability or terms of the proposed investment opportunity and the ability of a Fund to take advantage of such opportunity and (vii) whether allocating investment opportunities to such potential co-investment party will help establish, recognize, strengthen and/or cultivate relationships that may provide direct or indirect longer term benefits to current or future investment vehicles. Co-investment parties would either purchase their interest in the applicable portfolio company at the same time as a Fund or in a post-closing sell-down from a Fund after a Fund consummates an investment in a portfolio company. The ability of co-investment parties to participate in follow-on investments to co-investment opportunities will be determined on a deal-by-deal basis.

With respect to consummated transactions, co-investors will typically bear their pro rata share of fees, costs and expenses related to the discovery, investigation, development, acquisition, ownership, maintenance, monitoring, hedging and disposition of their co-investments. In certain circumstances, co-investors will also be required to pay their pro rata share of fees, costs and expenses related to potential investments that are not consummated, such as break-up fees or broken deal expenses. The Management Company will endeavor to allocate such fees, costs and expenses on a fair and equitable basis; however, co-investors may not agree to pay or otherwise may not bear such fees, costs and expenses if such co-investors have not been identified as of the time such potential investment ceases to be pursued and/or if such co-investors did not agree to pay such fees, costs and expenses as a condition to participating in the co-investment opportunity. In that event, such fees, costs and expenses will be considered operating expenses of and be borne by the Funds.

Valuation. Valuation of assets acquired in a portfolio investment may be difficult, and there may generally be no established market for these assets. The General Partner will submit its valuations to the Limited Partner Advisory Committee (the "LP Advisory Committee"), which will have the opportunity to object to such valuations.

Diverse Membership. The Limited Partners may have conflicting investment, tax and other interests with respect to their investments in the Funds. The conflicting interests of individual Limited Partners may relate to or arise from, among other things, the nature of the investments made by the Funds, the structuring or the acquisition of investments and the timing of the disposition of investments. As a consequence, conflicts of interest may arise in connection with decisions to be made by the General Partner and the Management Company, including with respect to the nature or structuring of investments, that may be more beneficial for one investor than for another investor, especially with respect to investors' individual tax situations. In selecting and structuring investments appropriate for the Funds, the General Partner and the Management Company, the Management Company will consider the investment and tax objectives of each Fund and its partners as a whole, not the investment, tax or other objectives of any Limited Partner individually.

Side Letters. The General Partner, on behalf of the Funds, may from time to time enter into side letters with one or more Limited Partners which provide such Limited Partners with additional or different rights (including with respect to access to information, liquidity terms and economic terms) than such Limited Partners have pursuant to a Fund's agreement or such Limited Partners' Subscription Agreements. Certain of these Limited Partners may have legal or other economic links with the Funds or the Management Company. As a result of such side letters, certain Limited Partners may receive additional benefits which other Limited Partners will not receive.

LP Advisory Committee. The General Partner may, as contemplated by a Fund agreement, seek approval of the members of the LP Advisory Committee with respect to potential conflict-of-interest situations and LP Advisory Committee approval will be required to resolve certain conflicts and other matters.

Employee Outside Activities - Conflicts with Portfolio Companies. Officers and employees of the Management Company may serve as directors and officers of certain portfolio companies and, in that capacity, will be required to make decisions that they consider in the best interests of such portfolio companies and their respective shareholders. In certain circumstances, for example in situations involving bankruptcy or near-insolvency of a portfolio company, actions that may be in the best interests of the portfolio company may not be in the best interests of the Funds, 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 Management Company and such individual's duties as a director or officer of such portfolio company.

Employee Outside Activities – Conflicts with Third-Parties. Officers and employees of the Management Company may serve on the investment committees of outside organizations, including but not limited to family offices. Accordingly, risks surrounding information sharing and privacy and confidentiality exist. The Firm maintains confidentiality and privacy policies and procedures designed to protect and prevent the dissemination and sharing of proprietary, confidential, and/or non-public information. In the event that an officer or employee obtains such information during the Firm's course of business, such information shall not be used or shared in connection with an officer or employee's outside activities.

Material Non-Public Information. By reason of their responsibilities in connection with the Funds and certain other activities of the Management Company and its affiliates, certain employees of the Management Company or their respective affiliates may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. The Funds will not be free to act upon any such information and such information may serve to restrict the Funds in their investment activities. Due to these restrictions, the Funds may not be able to initiate a transaction that they otherwise might have initiated and may not be able to sell an investment that they otherwise might have sold.

Service Providers. The Funds' service providers (including lenders, brokers, attorneys and investment banking firms) may be investors in the Funds and/or sources of investment opportunities and counterparties therein. Employees of the Firm may also serve as directors or officers of service providers that have been engaged on behalf of the Funds' portfolio companies. This may influence the General Partner in deciding whether to select such a service provider, to the extent the General Partner has authority over such selection or have other relationships with the Management Company. Notwithstanding the foregoing, investment transactions for the Funds that require the use of a service provider will generally be allocated to service providers on the basis of best execution.

Limited Partner Due Diligence Information. The General Partner will make available, prior to the closing of this offering, to each prospective investor the opportunity to ask questions of, and receive responses

from, a representative of the General Partner concerning the terms and conditions of this offering and to obtain any additional information, if the General Partner possesses such information or can acquire it without unreasonable effort or expense, necessary to verify the accuracy of the information set forth herein. Due to the fact that different potential investors may ask different questions and request different information, the General Partner may provide certain information to one or more prospective investors that they do not provide to all of the prospective investors. None of the responses or additional information provided is, or will be, integrated into this Memorandum, and no prospective investor may rely on any such responses or information in making its decision to subscribe for Interests.

Legal Representation. Sidley Austin LLP has acted as counsel to the Funds in connection with the offering of Interests. Sidley Austin LLP also acts as counsel to the General Partner and the Management Company. In connection with this offering and ongoing advice to the Funds and the General Partner, Sidley Austin LLP will not represent any Limited Partner.

Item 9: Disciplinary Information

Neither Dauntless nor its management personnel have any legal or disciplinary events that are material to a client's or a prospective client's evaluation of its advisory business or the integrity of its management.

Item 10: Other Financial Industry Activities and Affiliations

Dauntless and its investment personnel are not registered, and have not applied to register, as a futures commission merchant, commodity pool operator, commodity trading advisor or associated persons of a futures commission merchant. In addition, Dauntless is currently not applying to register as a broker-dealer and does not intend to do so. With that, Dauntless does not recommend nor select other investment advisers for its Clients.

Other Activities

Certain of the Firm's or a Client's employees, officers, members and/or affiliates serve (and may in the future serve) as directors, officers, or committee members of various portfolio companies of a Client. Such persons could face conflicts of interest between discharging their duties as directors, officers, or committee members, as the case may be, of such companies and acting in the best interest of the Client or Dauntless. Moreover, certain of the Firm's or a Client's affiliates, employees or principals also may serve as directors of public companies and their activities on behalf of those other companies may present actual and/or potential conflicts of interest (including conflicting fiduciary duties). Dauntless personnel and affiliates may receive compensation from companies in their capacities as directors, officers or committee members and this compensation may not be shared with the Client.

Certain of the Firm's or a Client's employees, officers, members and/or affiliates may also serve as directors, officers, or committee members of various companies not in the Firm's portfolio. Dauntless requires that all such positions be disclosed and approved by the Chief Compliance Officer (the "CCO") at the time of entering into the relationship in order to evaluate any potential conflicts of interest.

Third-Party Relationships

As part of the Firm's business, Dauntless and Dauntless personnel have developed many relationships with third parties, some of which could be viewed as significant, close or personal, which have the potential to raise conflicts of interest. Such third parties include, but are not limited to, entrepreneurs, former business associates, intermediaries, financial institutions, investment bankers, commercial bankers, financial advisors, attorneys, accountants, consultants, other individuals within their networks, private equity and venture capital funds and current and former directors, officers, and employees of potential portfolio companies. Certain of such third parties may: introduce investment opportunities to the Clients; arrange for, or facilitate financing in, the purchase or recapitalization of potential portfolio companies; introduce portfolio companies to potential acquisition or merger candidates; introduce the Clients to potential buyers of portfolio company securities; facilitate the disposition of portfolio company securities; provide investment banking, consulting or advisory services to the Clients or a portfolio company; co-invest in a portfolio company; introduce or recommend private investment opportunities to Dauntless personnel or their friends and family members; or provide other significant business or investment services to the Clients, Dauntless, portfolio companies or Dauntless personnel and their friends and family members. Dauntless will have compliance policies and procedures designed to monitor and, as necessary, mediate such significant relationships, but no guarantee can be made that such policies will prevent actions which are to the detriment of a Client.

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

Code of Ethics

Dauntless 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 “**Advisers Act**”). 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 a Client’s transaction and portfolio holdings, and requires access persons to provide initial and annual reports of securities holdings, quarterly reports of transactions, as well as annually certify agreement to comply with the Code of Ethics.

Dauntless employees are required to report any outside business activities generating revenue or involving a significant amount of their time. If any are deemed to be in conflict with clients, such conflicts will be fully disclosed, or the employee may be directed to cease such activity. Common outside business activities of employees that require disclosure include: serving on the boards of directors or managers of portfolio companies, service providers in which the Firm, the Funds, or the Funds’ portfolio companies have engaged, family offices, and third-party organizations; and serving on the investment committees of outside organizations. The risks associated with such activities are more thoroughly described in Item 8 above.

Dauntless has adopted counter-insider trading policies in its Code of Ethics. Dauntless prohibits all employees from personal trading in securities that are maintained on the Firm’s restricted list. Participation in initial public offerings and private placements require pre-approval by Dauntless’ CCO.

The above is merely a summary of certain key provisions of the Code of Ethics. Investors and prospective investors may obtain a copy of the Code of Ethics upon request in writing to Dauntless at the address on the cover of this Brochure.

Participation or Interest in Client Transactions and Personal Trading

Dauntless employees and officers may maintain positions in, or buy or sell, the same securities or related options as a Client may buy or sell with 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 a Client. Employees are also 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

Dauntless 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.

Currently, all of the securities purchased for the Clients are privately-issued rather than exchange-listed securities. If Dauntless purchases publicly-traded securities for the Clients, Dauntless will seek to obtain best execution for the Clients' 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 trades, the security being traded, specific needs of clients, conditions in the market at the time the order is placed and the overall efficiency of market structure. When selecting broker-dealers, Dauntless also may consider various factors and considerations deemed relevant or appropriate including, without limitation, execution capability, commission rate, the likelihood of price improvement, the speed of execution and likelihood of execution for limited orders, the ability to minimize market impact, the maintenance of confidentiality and responsiveness of broker-dealers.

Dauntless will aggregate such orders as it deems appropriate and in accordance with the Client's offering documents and in the best interests of the Client.

Dauntless 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

Dauntless reviews Client performance at least quarterly, which includes a summary description of each portfolio investment, any material event regarding the business of a Client, and each disposition of a portfolio investment during such quarter. Generally, investors will receive a quarterly letter summarizing the business activities and financial status of a Client.

With respect to accounting matters, the Clients have engaged an independent public accounting firm to conduct an annual audit of the Clients, and the Clients will provide annual audited financial statements to all investors.

Item 14: Referrals and Other Compensation

Dauntless does not maintain any referral arrangements with individuals or entities that may be compensated, directly or indirectly.

Item 15: Custody

Dauntless is deemed to have custody of the Funds' 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 inspect by the Public Company Accounting Oversight Board, 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 generally are provided to investors within 120 days after the end of each Funds' fiscal year. Qualified custodians are not expected to provide account statements directly to investors in the Funds.

Item 16: Investment Discretion

Dauntless has investment discretion over the Funds' assets, which is limited by the terms of a Fund's operating agreement and the investment management agreements with the Funds.

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, Dauntless generally does not expect to vote proxies with respect to securities owned by the Clients. Nevertheless, to the extent applicable, Dauntless will vote any proxies consistent with the best economic interests of the Clients and seek to identify any material conflicts of interests between a Client's interests and its own interest within the proxy voting process. If Dauntless or one of its applicable employees faces a material conflict of interest in voting a proxy, Dauntless 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. Members 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 Dauntless at the address listed on the cover of this Brochure.

Item 18: Financial Information

Dauntless 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. Dauntless is not aware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to the Clients and has not been the subject of a bankruptcy petition at any time during the past ten years.