

5C Investment Partners Advisor LLC

Investment Adviser Brochure

300 Park Avenue, 5th Floor, New York, NY 10022
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This brochure provides information about the qualifications and business practices of 5C Investment Partners Advisor LLC (the “Adviser,” “we” or “us”). If you have any questions about the contents of this brochure, please contact us at (332) 245-3958. The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission (the “Commission”) or by any state securities authority.

Additional information regarding the Adviser is available on the Commission’s website at: www.adviserinfo.sec.gov.

Registration with the Commission as an investment adviser does not imply that the Adviser or any of its affiliates, principals or employees possess a particular level of skill or training in the investment advisory or any other business.

Item 2: Material Changes

5C Investment Partners Advisor LLC is a newly registered investment adviser; therefore, there are no material changes to report.

Item 3: Table of Contents

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Item 4: Advisory Business

The Adviser is a Delaware limited liability company that intends to register with the Commission under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). The Adviser and its affiliated advisers expect to provide investment advisory services to pooled investment vehicles, separately managed accounts, funds of one and other accounts and clients (each, a “Client” and together, “Clients”).

The Adviser will generally seek, on behalf of Clients, to invest in U.S.-domiciled upper middle-market companies through direct originations of first lien debt and, to a lesser extent, second lien debt, unsecured debt and equity or equity-related investments. The Adviser’s investment advisory services consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving dispositions of such investments.

It is anticipated that the Clients will only be available to institutional investors and other sophisticated, high-net-worth investors who meet the eligibility requirements, as set forth in their respective governing documents.

The Adviser is principally owned and controlled by Thomas Connolly and Michael Koester, and its principal place of business is New York, NY.

Item 5: Fees and Compensation

The fees and compensation paid to the Adviser by Clients will be set forth in their respective offering documents (e.g., limited partnership agreements) and investment advisory agreements (collectively referred to herein as “governing documents”). Such fees and compensation are expected to include a fee for management services (*i.e.*, a management fee) and, for some Clients, a fee based on investment income and capital gains if certain performance hurdles are met (*i.e.*, carried interest or an incentive fee).

Investors in each Client managed by the Adviser should review the relevant governing documents for complete information on fees and compensation payable to the Adviser and its affiliates. Information regarding the fees and compensation payable by Clients where all underlying investors are “qualified purchasers” (as defined under Section 2(a)(51) of the Investment Company Act of 1940, as amended (the “1940 Act”) is not required to be provided herein.

The Adviser reserves the right to negotiate different fee terms among Clients. Management fees are typically based on a percentage of the invested assets or invested capital that the Adviser is managing on behalf of a Client. Clients are also expected to be subject to other fees, including administrative and other fees which may be negotiated with the Client. The Adviser (or an affiliate thereof) reserves the right, in its sole discretion to waive or otherwise reduce management fees payable by its personnel, certain business associates and “friends and family” investors with respect to their direct or indirect investments in Clients.

Fees and compensation paid to the Adviser do not include sales commissions, ongoing platform, distribution or similar fees and other related costs and expenses incurred by Clients. Clients may

incur certain charges imposed by custodians, brokers, financial intermediaries, placement agents and other third parties.

Expenses

Clients are subject to various fees and expenses, some of which are unique to the management of private investment funds. These include, but are not limited to, management fees, carried interest or incentive fees (where applicable), and operational expenses such as auditing, administration and legal fees. The specific fees and expenses applicable to each Client are detailed in its respective governing documents.

Allocation of Shared Expenses

The Adviser is committed to a fair allocation of shared expenses among Clients and clients of the Adviser's affiliates, including those expenses that are common to both Clients and business development companies that are advised by the Adviser's affiliate, 5C Lending Partners Advisor LLC. The Adviser is in the process of drafting a comprehensive policy on the allocation of shared expenses (the "Allocation of Shared Expenses" policy), which will seek to ensure that all shared expenses are allocated in a manner that is fair, consistent with the respective client offering documents, and in line with fiduciary principles. Allocations will be pro rata based upon anticipated commitment amounts. Where anticipated transactions are not consummated, expenses associated with broken deals shall also be allocated pro rata based upon anticipated commitment amounts.

The Allocation of Shared Expenses policy will cover, among other things, the methodology for distributing operational costs, shared investment expenses, and any other expenses incurred by multiple entities managed by the Adviser and 5C Lending Partners Advisor LLC. Upon completion, the Allocation of Shared Expenses policy will be available to Clients upon request and incorporated into the Adviser's operational procedures.

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

Performance Based Fees

The Adviser is entitled to receive performance-based fees in the form of incentive fees, carried interest or other performance-based fees, based on profits, from certain Clients. Incentive fees are generally based on the net appreciation per annum of the applicable Client, subject to certain preferred returns. Carried interest entitles the general partner (or an affiliate) of a Fund to a special allocation of income and gains from the Fund and is typically structured as a net profits interest in the applicable Client. These performance-based arrangements are structured to comply with Rule 205-3 under the Advisers Act. Any share of profits paid to the Adviser or its affiliates by a Client is separate and distinct from the fees charged by the Adviser for advisory services. The Adviser (or an affiliate thereof) reserves the right, in its sole discretion to waive or otherwise reduce performance fees payable by its personnel, certain business associates and "friends and family" investors with respect to their direct or indirect investments in Clients.

Performance-based fees and allocation arrangements with the Adviser (or an affiliate thereof) can create incentives for us to recommend investments that could be riskier or more speculative

than those that would be recommended under different fee arrangements. The Adviser generally considers performance-based compensation to enhance alignment of its interests with those of its Clients, particularly in instances where their governing documents include terms requiring clawback or giveback of performance-based compensation amounts at the end of such Client's life or at certain interim intervals. Please refer to the governing documents of each Client for more complete information on the "performance-based compensation" arrangements of each Client.

As described in more detail below, the Advisers have adopted expense allocation policies designed to treat all clients fairly and equitably in accordance with the applicable governing documents.

Side-by-Side Management

The Adviser expects to manage multiple Clients that invest in the same types of securities as, and often co-invest alongside, accounts managed by an affiliated adviser, and these different accounts may also bear incentive fees at different rates. This fact results in potential conflicts of interest in the allocation of new investment opportunities, and potentially also in connection with the management and disposition of investments because these allocations and other determinations could be affected by the likelihood that the Adviser will, or will not, earn performance-based fees or the amount thereof. See Item 12(C) below for a discussion of investment allocations and related conflicts of interest.

The Adviser is permitted to enter into strategic arrangements with investors that commit significant capital into a particular Client or across the broader platform. Such arrangements often include the Adviser (or an affiliate thereof) granting certain preferential terms to these investors, including co-investment rights, a waiver or reduction of management fees or performance fees, or other concessions.

Item 7: Types of Clients

The Adviser and its affiliates provide investment advice to private investment funds and separately managed accounts. Investors in Client accounts are expected to primarily be comprised of government and private pension funds, sovereign wealth funds, endowments, foundations, family offices, banks, investment companies, insurance companies, private corporations and high net worth individuals. Generally, investors in Client accounts are required to meet certain suitability and net worth qualifications, such as being (a) an "accredited investor" (as defined in Rule 501 of Regulation D under the Securities Act of 1933, as amended) and (b)(i) a "qualified purchaser" (as defined in Section 2(a)(51) of the 1940 Act) or (ii) a "knowledgeable employee" (as defined in Rule 3c-5 of the 1940 Act).

Investors in Client accounts are expected to have conflicting investment, tax and other interests with respect to their respective investments. The results of a Client's activities may affect investors differently, depending on their different situations. As a consequence, conflicts of interest may arise in connection with decisions made by the Adviser that benefits one investor over another investor. In selecting and structuring investments for a Client, the Adviser will consider the investment and tax objectives of the Client as a whole and not the objectives of any individual

investor. However, there can be no assurance that a result will not be more advantageous to some investors than to other investors.

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

The Adviser seek, on behalf of Clients, to generate current income and long-term capital appreciation primarily by investing in U.S.-domiciled upper middle-market companies through direct originations of first lien debt (including stand-alone first lien loans, "unitranche" loans, which are loans that combine both senior and subordinated debt, generally in a first lien position, and first lien secured bonds) and, to a lesser extent, second lien debt, unsecured debt and equity or equity-related investments. The Adviser generally considers upper middle market companies to consist of companies with \$50 million or greater of annual EBITDA, although the Adviser may from time to time invest in smaller companies and other instruments if the Adviser believes that the opportunity presents attractive investment characteristics and risk-adjusted returns.

The Investment Process

The investment process consists of three stages: (i) the identification and consideration of investment opportunities (including follow-on investment opportunities); (ii) order placement and allocation; and (iii) consideration by the Adviser's investment committee when a potential co-investment transaction is being considered by one or more Clients.

All investing involves a risk of loss.

Material Risks

Investing in securities involves a risk of loss that a Client and investors should be prepared to bear. There can be no assurance that any Client will be able to make and realize any particular investment or generate returns, or that such returns will be commensurate with the risks of investing in the types of transactions described in the governing documents. Clients and investors should carefully consider, among other factors, the following material risks involved with the Adviser's investment strategies. Past performance is not indicative of future results.

Not all possible risks are described below, and risks described below may not be applicable to all Clients. Investors are requested to refer to the governing documents of the applicable Client for more complete information on investment strategies employed and the corresponding risks associated with such investment strategies.

General Economic Conditions

General economic conditions may affect the Clients' activities. Interest rates and changes to interest rates, general levels of economic activity and economic downturns, the prices of securities, participation by other investors in the financial markets, the availability of credit, inflation rates and national and international political circumstances (including wars, terrorist acts or security operations) may affect the level and volatility of security prices and the liquidity and the value of the securities held by a Client. Unexpected volatility or illiquidity could impair a Client's profitability or result in it suffering losses. Such factors may also affect the value and number of investments made by a Client or considered for prospective investment.

Effects of Inflation

Certain of our Clients' portfolio investments may be in industries that have been impacted by inflation. Recent inflationary pressures have increased the costs of labor, energy and raw materials and have adversely affected consumer spending, economic growth and the operations of our Clients' portfolio investments. If such portfolio investments are unable to pass any increases in their costs of operations along to their customers, it could adversely affect their operating results. In addition, any projected future decreases in the operating results of our Clients' portfolio investments due to inflation could adversely impact the fair value of those investments. Any decreases in the fair value of our Clients' investments could result in future realized or unrealized losses.

Highly Competitive Market for Investment Opportunities

A number of entities compete with us to make the types of investments that we target in leveraged companies. We will compete with managers of business development companies, public and private funds, commercial and investment banks, commercial financing companies and, to the extent they provide an alternative form of financing, private equity funds. Many of our competitors are substantially larger and have considerably greater financial, technical and marketing resources than we do. For example, some competitors may have a lower cost of funds and access to funding sources that are not available to us. In addition, some of our competitors may have higher risk tolerances or different risk assessments than we have, which could allow them to consider a wider variety of investments and establish more relationships and offer better pricing and a more flexible structure than we are able to do. If we are unable to source attractive investments, we may hold a greater percentage of our assets in cash and cash equivalents than anticipated, which could impact potential returns on our Clients' portfolios. We cannot assure you that the competitive pressures we face will not have a material adverse effect on the investments we manage for our Clients. Also, as a result of this competition, we may not be able to take advantage of attractive investment opportunities from time to time, and we can offer no assurance that we will be able to identify and make investments that are consistent with our investment objective.

Participants in our industry compete on several factors, including price, flexibility in transaction structure, customer service, reputation, market knowledge and speed in decision making. We do not seek to compete primarily based on the interest rates we will offer, and we believe that some of our competitors may make loans with interest rates that will be comparable to or lower than the rates we offer. We may lose investment opportunities if we do not match our competitors' pricing, terms and structure. However, if we match our competitors' pricing, terms and structure, Clients may experience decreased net interest income and increased risk of credit loss.

Monetary Policy and Governmental Intervention

Recent actions by the U.S. Federal Reserve and other central banks in response to significant levels of inflation have included increases in interest rates with public announcements that additional increases are expected, which have begun to and are expected to continue to have a significant effect on interest rates and on the U.S. and world economies generally to an unpredictable extent, which in turn may affect the performance of the Clients' investments. In particular, as of the date hereof, interest rates have recently increased significantly in the U.S. and may experience

continued increases in the near-term. Additionally, the passing of U.S. legislation calling for historically significant amounts of government spending runs a risk of being inflationary.

Political, Economic and Social Risks

Geopolitical concerns and other global events, including, without limitation, trade conflict, national and international political circumstances (including wars, terrorist acts or security operations), and pandemics or other severe public health events, have contributed and may continue to contribute to volatility in global equity and debt markets. For example, the outbreak in 2020 of COVID-19 caused extensive disruption in the global economy. One or more of these factors could impact Clients' ability to deploy capital and could materially and adversely affect the operations of Clients. These factors are outside the Adviser's control and may cause the Adviser's strategy to be adjusted in order to try to successfully compete as markets continually evolve. Depending upon the scope, any such adjustments may necessitate investor waivers or amendments at the recommendation of the Adviser, and if required such waivers or amendments may or may not be obtained.

Force Majeure

"Force majeure" refers to the legal concept, included in certain commercial and other contracts, whereby a party to a contract may be excused from performing its obligations to a counterparty under such contract where performance is made impossible or highly impracticable as a result of an event that the contract parties could not have anticipated or controlled. Examples of force majeure include earthquakes, floods, national emergencies and potentially (under certain facts and circumstances) government-mandated closures resulting from viral outbreaks like COVID-19. The Clients may be party to contracts that include force majeure clauses and, as a result, these contracts may not be enforceable against certain of their counterparties (including suppliers of their raw materials and purchasers of their finished goods, products, or services) if a force majeure event has been deemed to have occurred. The determination of whether a force majeure event has been triggered under a contract or has otherwise occurred is a mixed factual and legal one, and the Clients may incur legal costs (which may be significant) in disputes with counterparties regarding whether any such event has occurred, with the likely outcome of any such dispute hard to predict. If a Client were unable to enforce a material contract as a result of a force majeure event, and/or if it incurred significant legal expenses in a dispute over a force majeure event, the results and prospects of the Client may be adversely affected.

Dependence on Key Professionals

The ability of a Client to achieve its investment objective will be dependent on the diligence, skill, judgment, business contacts and personal reputations of the Adviser's senior professionals or other key personnel. These individuals possess substantial experience and expertise in investing, are responsible for locating and executing Client investments, and have significant relationships with the institutions that are the source of many of our investment opportunities. Therefore, the departure or misconduct of one or more of these individuals could have a material adverse effect on the ability of a Client to achieve its investment objectives, cause certain investors to withdraw capital or otherwise have a material adverse effect on our business. Further, if such individuals join competitors or form competing companies, it could result in the loss of significant investment opportunities.

Risky and Highly Speculative Investments

On behalf of our Clients, we will invest primarily in first lien senior secured loans and to a lesser extent in second lien loans, unsecured debt, as well as preferred securities, and select equity investments issued by leveraged companies.

Senior Secured Loans. When we advise our Clients to make a senior secured term loan investment in a portfolio company, we generally advise them to take a security interest in the available assets of the portfolio company, including the equity interests of its subsidiaries, which we expect to help mitigate the risk that our Clients' will not be repaid. However, there is a risk that the collateral securing our Clients' loans may decrease in value over time, may be difficult to sell in a timely manner, may be difficult to appraise and may fluctuate in value based upon the success of the business and market conditions, including as a result of the inability of the portfolio company to raise additional capital, and, in some circumstances, our Clients' liens could be subordinated to claims of other creditors. In addition, deterioration in a portfolio company's financial condition and prospects, including its inability to raise additional capital, may be accompanied by deterioration in the value of the collateral for the loan. Consequently, the fact that a loan is secured does not guarantee that our Clients' will receive principal and interest payments according to the loan's terms, or at all, or that our Clients' will be able to collect on the loan should they be forced to enforce their remedies.

Unsecured Loans and Preferred Securities. Our Clients' unsecured debt and preferred investments are generally subordinated to senior secured loans. As such, other creditors may rank senior to our Clients in the event of insolvency. This may result in an above average amount of risk and loss of principal.

Equity Investments. When we advise our Clients to invest in senior secured loans, unsecured debt or preferred securities, we may advise them to acquire common equity securities as well. In addition, we may advise our Clients to invest directly in the equity securities of portfolio companies. Our goal is for our Clients to ultimately exit such equity interests and realize gains upon the disposition of such interests. However, the equity interests our Clients receive may not appreciate in value and, in fact, may decline in value. Accordingly, our Clients may not be able to realize gains from their equity interests, and any gains that they do realize on the disposition of any equity interests may not be sufficient to offset any other losses they experience.

In addition, investing in middle-market companies involves a number of significant risks, including:

- these companies may have limited financial resources and may be unable to meet their obligations under their debt securities that our Clients hold, which may be accompanied by a deterioration in the value of any collateral and a reduction in the likelihood of us realizing any guarantees we may have obtained in connection with the investment;
- they typically have shorter operating histories, narrower product lines and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns;
- they are more likely to depend on the management talents and efforts of a small group of persons; therefore, the death, disability, resignation or termination of one or more of these persons could have a material adverse impact on a portfolio company;

- they generally have less predictable operating results, may from time to time be parties to litigation, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence, and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position. In addition, we may, in the ordinary course of business, be named as defendants in litigation arising from our Clients' investments in the portfolio companies; and
- they may have difficulty accessing the capital markets to meet future capital needs, which may limit their ability to grow or to repay their outstanding indebtedness upon maturity.

Valuation Risk

Many of the investments made by our Clients will be illiquid and thus have no readily ascertainable market prices. Where required by Client's governing documents, we value investments based on our estimate, or an independent third party's estimate, of their fair value as of the date of determination, which often involves significant subjectivity. There is no single standard for determining fair value in good faith and in many cases fair value is best expressed as a range of fair values from which a single estimate may be derived. We will estimate the fair value of our investments based on third-party models, or models developed by us, which include discounted cash flow analyses and other techniques and may be based, at least in part, on independently sourced market parameters. The estimates and assumptions used in these models include the timing and expected amount of cash flows, the appropriateness of discount rates used, and, in some cases, the ability to execute, the timing of and the estimated proceeds from expected financings, some or all of which factors may be ascribed more or less weight in light of the particular circumstances. The actual results related to any particular investment often vary materially as a result of the inaccuracy of these estimates and assumptions. In addition, because many of the illiquid investments held by our Clients are in industries or sectors which are unstable, in distress or undergoing some uncertainty, valuations of such investments may be subject to rapid and/or significant changes caused by, among other matters, sudden company-specific or industry-wide developments or significant market volatility.

Because such valuations will be inherently uncertain, may fluctuate significantly over short periods of time and will be based on estimates and other material assumptions, our determinations of fair value may differ materially from the values that would have been used if a readily available market for these investments existed and may differ materially from the values that a Client may ultimately realize on such investments. For Clients that issue shares on a continuous basis and/or offer redemptions or repurchases of shares, the price at which an underlying investor purchases or redeems shares in a Client will also be dependent on our determinations regarding the fair value of our investments.

In instances where the Adviser's personnel determine the fair value of the investments of certain Clients and such Clients pay management fees and/or performance fees that may fluctuate with changes in value, such personnel will have a conflict of interest in determining fair value. In addition, the amount and timing of carried interest or incentive fee received by the Adviser or its affiliates with respect to a Client will depend in part on the value of such Client's assets and liabilities. If the valuations are incorrect, the amount of carried interest or incentive fee received, or the timing of receipt of such carried interest or incentive fee, could also be incorrect.

Portfolio Company Due Diligence and Uncertainty of Financial Projections

Before making portfolio investments, the Adviser will typically conduct due diligence that it deems reasonable and appropriate based on the facts and circumstances applicable to each portfolio investment. Due diligence may entail evaluation of important and complex business, financial tax, accounting, engineering, regulatory, environmental and legal issues, some of which may be based on information or projections by the target company. The due diligence investigation that we will carry out with respect to an investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. General economic conditions, which are not predictable, along with other factors, may cause actual performance to fall short of projections. Outside consultants, legal advisors, accountants, investment banks and other third parties may be involved in the due diligence process to varying degrees depending on the type of investment.

Technological Innovations and Industry Disruptions

Technological innovations have disrupted traditional approaches in multiple industries and can permit younger companies to achieve success and in the process disrupt markets and market practices. We can provide no assurance that new businesses and approaches will not be created that would compete with us and/or our Clients' portfolio companies or alter the market practices in which we, our Clients and our affiliates have been designed to function within and on which we depend on for our Clients' investment return. New approaches could damage our Clients' investments, disrupt the market in which we operate and subject us to increased competition, which could materially and adversely affect our and our Clients' business, financial condition and results of investments.

Leverage

A Client's investment strategy may involve the use of leverage, including the use of subscription lines. A Client may also participate in leveraged acquisitions of portfolios of debt instruments. Such investments are inherently more sensitive to declines in revenues and to increases in expenses. Utilization of leverage is a speculative investment technique and involves risks to investors. The leverage provided will result in interest expense and other costs incurred in connection with such borrowings, which may not be covered by available cash flow. In addition, a Client may enter into a subscription line with one or more lenders in order to finance its operations (including the acquisition of the Client's investments). Because amounts borrowed under a subscription line typically are secured by pledges of the relevant Adviser's right to call capital from its investors, investors may be obligated to contribute capital on an accelerated basis if the Client fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder. While leverage may enhance total returns to Clients and their investors, if investment results fail to cover borrowing costs, then returns will be lower than if there had been no leverage.

In addition, our Clients and their respective portfolio investments may use leverage for a variety of purposes, including, but not limited to, funding growth initiatives, leveraging existing investments to permit distributions or additional investments and bridging funding for investments in advance of capital calls. Leverage generally magnifies opportunities for gain and risk of loss from a particular investment. The leverage used by our Clients and their respective portfolio investments may take the form of indebtedness for borrowed money as well as financial leverage

in the form of short sales, forward contracts, options, derivatives, and other similar transactions, which may expose our Clients to greater risks than if such Clients and their respective portfolio investments did not use leverage. This leverage could accelerate and magnify declines in the value of our Clients and their respective portfolio investments in a down market. Gains made with borrowed funds generally would cause the Clients and their respective portfolio investments' value to increase faster than without borrowed funds. However, losses incurred with borrowed funds would cause the Clients and their respective portfolio investments' value to decrease faster and more significantly than without the use of borrowed funds. Money borrowed for the purpose of leveraging Clients and their respective portfolio investments will also be subject to interest costs as well as financing, transaction and other fees and costs that may not be recovered by returns on the Clients and their respective portfolio investments.

Misconduct by Employees or Service Providers

Misconduct by (i) our employees, (ii) portfolio company directors, officers or employees, and (iii) service providers to the foregoing and/or their respective affiliates could undermine the due diligence efforts of a Client and/or the general partner and cause significant losses to a Client. Misconduct may include entering into transactions without authorization, the failure to comply with operational and risk procedures, including due diligence procedures, misrepresentations as to investments being considered by a Client, the improper use or disclosure of confidential or material non-public information, or sexual or other harassment, which could result in litigation or serious financial harm, including limiting a Client's business prospects or future marketing activities, and non-compliance with applicable laws or regulations (and the concealing of any of the foregoing). Such activities may result in reputational damage, litigation, business disruption, market or industry segment volatility and/or financial losses to a Client. The Adviser will have controls and procedures through which it seeks to minimize the risk of such misconduct occurring; however, no assurances can be given that such misconduct will be able to be identified or prevented.

Cybersecurity

The Adviser, the Adviser's and the Clients' service providers, and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect the Clients and/or its investors, despite the efforts of the Adviser and the Clients' service providers to adopt technologies, processes, and practices intended to mitigate these risks and protect the security of their computer systems, software, networks, and other technology assets, as well as the confidentiality, integrity and availability of information belonging to the Client and its investors. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to systems of the Adviser, their service providers or counterparties or data within these systems. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of the Adviser's systems to disclose sensitive information in order to gain access to the Adviser's data or that of its investors. A successful penetration or circumvention of the security of the Adviser's systems, or those of other service providers with information about a Client, could result in the loss or theft of an investor's data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause the Adviser or service providers and, in turn, the Clients, to incur regulatory penalties, reputational damage, additional compliance

costs or financial loss. Similar types of operational and technology risks are also present for portfolio companies, which could have material adverse consequences for such portfolio companies, and may cause a Clients investments to lose value.

Future and Past Performance

The performance of the Adviser's principals' prior investments is not necessarily indicative of Clients' future results. While the Adviser intends for the Clients to make investments that have estimated returns commensurate with the expected risks undertaken, there can be no assurances that the Clients will achieve their performance objectives. On any given investment, and on an overall basis, loss of principal is possible. Furthermore, there can be no assurance that the Clients' investments will achieve results similar to those attained by previous investments of the Adviser. The Clients' investments may differ from previous investments made by the Adviser in a number of respects.

U.S. Taxation on Carried Interest

U.S. federal income tax law treats certain allocations of capital gains to service providers by partnerships, such as certain of our Clients, as short-term capital gains (taxed at higher ordinary income rates) unless the partnership has held the asset that generated such gain for more than three years. Additionally, Congress has considered proposed legislation that would treat certain income allocations to service providers by partnerships (including any carried interest) as ordinary income for U.S. federal income tax purposes that under current law are treated as an allocation of the partnership's income (and which may be taxed at lower rates than ordinary income). Such rules, as well as any such legislation that may be enacted in the future, could apply to reduce the after-tax returns of individuals associated with Clients or the Adviser who were or may in the future be granted direct or indirect interests in carried interest, which could make it more difficult for the relevant Adviser and its affiliates to incentivize, attract and retain individuals to perform services for a Client. This creates potential incentives for the Adviser to cause Clients to hold investments for a longer period than would be the case if such greater-than-three-year holding period requirement did not exist.

Highly Leveraged Borrowers

The issuers of debt in which a Client may invest are likely to be highly leveraged, which may have adverse consequences to these companies and to a Client as an investor. Leverage generally magnifies both the Client's opportunities for gain and its risk of loss from a particular investment. The use of leverage also imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and the leverage may impair these companies' ability to operate their businesses as desired and/or finance their future operations and capital needs. As a result, these companies' flexibility to respond to changing business and economic conditions and to take advantage of business opportunities may be limited. Further, a leveraged company's income and net assets will tend to increase or decrease at a greater rate than if borrowed money were not used. A borrower's leverage may adversely impact a Client in a number of ways, such as creating a greater possibility of default or bankruptcy of the borrower. It is also possible that the pledging of collateral (if any) to secure debt could be found to constitute a fraudulent conveyance or preferential transfer which would be nullified or subordinated to the rights of other creditors of the borrower under applicable law.

Revolving Credit Facilities and Unfunded Loans

Revolving credit facilities and other committed unfunded loans, which are loan commitments that are unfunded at the time of investment, are written agreements in which the lender commits itself to make a loan or loans up to a specified amount within a specified time period. Each loan commitment sets out the terms and conditions of the lender's obligation to make the loan. The portion of the amount committed by a lender under a loan commitment that the borrower has not drawn down is referred to as "unfunded." A lender typically is obligated to advance the unfunded amount of a loan commitment at the borrower's request, subject to certain conditions regarding, among other things, the creditworthiness of the borrower. Borrowers with deteriorating creditworthiness may continue to satisfy their contractual conditions and therefore be eligible to borrow at times when a Client might prefer not to lend. In addition, a lender may have assumptions as to when the borrower may draw on an unfunded loan commitment when the lender enters into the commitment. If the borrower does not draw as expected, the commitment may not result in as attractive of an investment as originally anticipated for our Clients.

Financial Institution Risk; Distress Events

An investment in our Client (including that of our Client's portfolio companies) is subject to the risk that one of the Client's banks, brokers, hedging counterparties, lenders or other custodians of some or all of the Client's assets (each, a "Financial Institution") fails to perform its obligations or experiences insolvency, closure, receivership or other financial distress or difficulty (similar to that experienced by Silicon Valley Bank and Signature Bank in March 2023) (each, a "Distress Event"). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance or accounting irregularities. In the event a Financial Institution experiences a Distress Event, the Adviser, the Clients and/or their portfolio companies may not be able to access deposits, borrowing facilities or other services for an extended period of time or ever. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation ("FDIC"), in the case of banks, or the Securities Investor Protection Corporation ("SIPC"), in the case of certain broker-dealers, amounts in excess of the relevant insurance are subject to risk of loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose increased risk of loss. Although in recent years governmental intervention has resulted in additional protections for depositors, there can be no assurance that governmental intervention will be successful or avoid the risk of loss, substantial delays or negative impact on banking or brokerage conditions or markets.

Any Distress Event has a potentially adverse effect on our ability to manage the Clients and their investments, and on the ability of the Adviser, any Client and/or portfolio companies to maintain operations, which in each case could result in significant losses and unconsummated investment acquisitions and dispositions. Such losses have the potential to include a Client to pay fees and expenses in the event the Client is not able to close a transaction (whether due to the inability to draw capital on a credit line provided by a Financial Institution experiencing a Distress Event, the inability of investors to make capital contributions or otherwise), as well as the inability of a Client to acquire or dispose of investments at prices that the Adviser believes reflect the fair value of such investments and/or the inability of portfolio companies to make payroll, fulfill obligations and maintain operations. Although we expect to exercise contractual remedies under the agreements

with Financial Institutions in the event of a Distress Event, there can be no assurance that such remedies will be successful or avoid losses or delays.

Many Financial Institutions require, as a condition to using their services or otherwise, that the Adviser and/or the relevant Client maintain all or a set amount or percentage of their respective accounts or assets with the custodian, which heightens the risks associated with a Distress Event with respect to such custodians. Although we seek to do business with custodians that we believe are creditworthy and capable of fulfilling their respective obligations to the Clients, we are under no obligation to use a minimum number of custodians with respect to any Client, or to maintain account balances at or below the relevant insured amounts.

Conflicting Investor Interests

Investors are likely to have conflicting investment, tax, and other interests with respect to their investments in the Clients, including conflicting interests that relate to the structuring and timing of investment acquisitions and dispositions. As a consequence, conflicts are likely to arise in connection with decisions made by the Adviser regarding investments that are expected to be more beneficial to certain investors than to others, especially with respect to tax matters. In structuring, acquiring and disposing of investments, the Adviser generally will consider the investment, tax and, other relevant objectives of the Clients and their investors as a whole, rather than the investment, tax or other objectives of any individual investor. In addition, potential conflicts of interest will arise in dealing with any such investors, and the Adviser and its affiliates will not always be motivated to act solely in accordance with its interest relating to the Clients. Similarly, not all investors monitor their investments in Clients in the same manner. For example, certain investors may periodically request from the Adviser information regarding the Clients and their investments that is not otherwise set forth in (or has yet to be set forth) in the reporting and other information required to be delivered to all investors. In such circumstances, the Adviser is permitted to provide such information to such investor, which does not mean the Adviser will be obligated to affirmatively provide such information to all investors (although the Adviser will generally provide the same information upon request and treat investors equally in that regard). As a result, certain investors may have more information about the Clients than other investors, and the Adviser will have no duty to ensure all investors seek, obtain, or process the same information regarding the Clients and/or their investments.

Data Protection Compliance

The adoption, interpretation and application of consumer protection, data protection and/or privacy laws and regulations (“Privacy Laws”) in the United States, Europe and elsewhere could significantly impact current and planned privacy and information security related practices, the collection, use, sharing, retention and safeguarding of personal data and current and planned business activities of the Adviser, the Clients and/or their portfolio companies, and increase compliance costs and require the dedication of additional time and resources to compliance for such entities. A failure to comply with such Privacy Laws by any such entity or their service providers could result in fines, sanctions or other penalties, which could materially and adversely affect the results of operations and overall business, as well as have a negative impact on reputation and fund performance. As Privacy Laws are implemented, interpreted and applied, compliance costs for the Adviser, the Clients and/or their portfolio companies are likely to increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms

are in place. For example, California has passed the California Consumer Privacy Act of 2018, and the EU has enacted the General Data Protection Regulation (EU 2016/679), each of which broadly impacts businesses that handle various types of personal data, potentially including private fund managers and their funds and investments. Such laws impose stringent legal and operational obligations on regulated businesses, as well as the potential for significant penalties. Other jurisdictions, including other U.S. states, have proposed or are considering similar Privacy Laws, which if enacted could impose similarly significant costs, potential liabilities and operational and legal obligations. Such Privacy Laws and regulations are expected to vary from jurisdiction to jurisdiction, thus increasing costs, operational and legal burdens, and the potential for significant liability for regulated entities, which could include the Adviser, the Clients and/or their portfolio companies.

International Conflicts

Wars and other international conflicts, such as the Israeli-Palestinian conflict and the ongoing military conflict between Russia and Ukraine, have caused disruption to global financial systems, trade and transport, among other things. In response, multiple other countries have put in place sanctions and other severe restrictions or prohibitions on certain of the countries involved, as well as related individuals and businesses. However, the ultimate impact of these conflicts and their effect on global economic and commercial activity and conditions, and on the operations, financial condition and performance of Clients or any particular industry, business or investee country and the duration and severity of those effects, is impossible to predict.

These conflicts may have a significant adverse impact and result in significant losses to Clients. This impact may include reductions in revenue and growth, unexpected operational losses and liabilities and reductions in the availability of capital. It may also limit the ability of a Client to source, diligence and execute new investments and to manage, finance and exit investments in the future. Developing and further governmental actions (military or otherwise) may cause additional disruption and constrain or alter existing financial, legal and regulatory frameworks and systems in ways that are adverse to the investment strategy which any Client intends to pursue, all of which could adversely affect the Client's ability to fulfill its investment objectives.

Material Non-Public Information

As a result of the operations of the Adviser and its affiliates, the Adviser may come into possession of confidential or material, non-public information. Therefore, the Adviser and its affiliates may have access to material, non-public information that may be relevant to an investment decision to be made by the Clients. Consequently, the Clients may be restricted from initiating a transaction or selling an investment which, if such information had not been known to it, may have been undertaken on account of applicable securities laws or the Adviser's internal policies. Due to these restrictions, the Clients may not be able to make an investment that it otherwise might have made or sell an investment that it otherwise might have sold.

Item 9: Disciplinary Information

The Adviser and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to an investor's evaluation of the Adviser or its personnel.

Item 10: Other Financial Industry Activities and Affiliations

The Adviser is affiliated with other companies that provide investment management services; these companies expect to register as investment advisers with the Commission. The Adviser will be responsible for all decisions regarding portfolio transactions of the Clients and have full discretion over the management of the Clients' investment and trading activities.

5C Lending Partners Advisor LLC ("5CLP Advisor"), which is a Delaware limited liability company, is a common control affiliate of the Adviser and will serve as the investment adviser to 5C Lending Partners Corp., a Maryland corporation that is an externally managed, non-diversified closed-end management investment company that will elect to be regulated as a Business Development Company ("BDC") under the 1940 Act, as well as future pooled investment vehicles.

The Adviser and 5CLP Advisor share personnel. Although the Adviser's employees will devote as much of their business time on one or more of the Clients as required pursuant to the terms of each Client's governing documents, employees of the Adviser and its affiliates may also serve as advisors, directors, members of credit committees or, less frequently, officers for portfolio companies in which the Clients invest, or provide other services to portfolio companies. Further, in connection with such roles and related investment activities, employees may be given access to confidential information relating to, or deemed to be insiders of, such companies in which the Clients invest. As a result, Clients may be prohibited from engaging in transactions with such a portfolio company which may have an adverse effect on such Clients.

Principals, officers and certain employees of the Adviser, members of their families and related persons of the Adviser may generally participate directly or indirectly as investors in the Adviser's Clients, as described in the Clients' governing documents.

The Adviser may recommend to Clients the purchase or sale of securities in which it, or an employee or related person thereof, has a financial interest. In addition, the Adviser permits its employees to engage in personal securities transactions, subject to compliance with the Adviser's Code of Ethics.

For a general discussion of how we address resulting conflicts of interest, see discussion under "*Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading*" below.

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

The Adviser has adopted a written code of ethics (the "Code of Ethics") that is applicable to all employees. Among other things, the code requires the Adviser and its employees to act in Clients' best interests, abide by all applicable regulations, avoid even the appearance of insider trading, and pre-clear and report on many types of personal securities transactions. The Adviser's restrictions on personal securities trading apply to employees, as well as employees' family members living in the same household. A copy of the Adviser's Code of Ethics is available upon request.

The Adviser maintains a restricted list of publicly traded securities that is being considered for Clients, as well as securities already held by Clients. Any proposed employee transaction involving securities on the restricted list requires preclearance from the Chief Compliance Officer (the “CCO”). The CCO does not grant preclearance where it would appear that an employee’s trading could disadvantage the Adviser’s Clients.

Under certain circumstances, an employee might invest in a security that is not considered suitable for the Clients because of size, liquidity, or other factors. A change in these factors could result in the security becoming more suitable for the Clients, but the CCO might not allow the security to be purchased for the Clients in order to avoid even the appearance of employees trading ahead of Clients. In the Adviser’s experience, it is rare for an employee’s personal trading to limit Clients’ investment opportunities, but such a situation may arise from time to time.

Item 12: Brokerage Practices

Since the Adviser generally acquires and disposes of investments in privately negotiated transactions, it generally does not use brokers in the normal course of its business. Subject to policies established by its principals, the Adviser will be primarily responsible for the execution of the publicly traded securities portion of Clients’ portfolio transactions and the allocation of brokerage commissions, if any. The Adviser does not expect to execute transactions through any particular broker or dealer, but will seek to obtain the best net results for the Clients, taking into account such factors as price (including the applicable brokerage commission or dealer spread), size of order, difficulty of execution, and operational facilities of the broker or dealer and the broker or dealer’s risk and skill in positioning blocks of securities. While the Adviser generally will seek reasonably competitive trade execution costs, it will not necessarily pay the lowest spread or commission available. Subject to applicable legal requirements, the Adviser may select a broker based partly upon brokerage or research services provided to the Adviser and its Clients. In return for such services, the Clients may pay a higher commission than other brokers would charge if the Adviser determines in good faith that such commission is reasonable in relation to the services provided. Such practice is known as “**soft dollar arrangements.**” While the Adviser has authority to enter into soft dollar arrangements, it has not done so to date.

The Adviser and 5CLP Advisor are also committed to the equitable allocation of investment opportunities among our Clients, ensuring fair treatment across all accounts. This commitment extends to how the allocation of investment opportunities is handled, especially in instances where investment decisions might affect multiple clients. Our approach is designed to manage potential conflicts of interest effectively and to adhere strictly to our fiduciary duties. Allocation decisions are made with the intent of ensuring that all clients have equitable access to investment opportunities that align with their investment objectives and restrictions. When investment opportunities are identified by personnel of the Advisers, they are reviewed against Client guideline to determine the list of accounts eligible to participate in the transaction. Allocations among participating accounts are determined *pro rata* based upon anticipated investable capital available at the time of the transaction and subject to the applicable minimum position size and a maximum position size thresholds for each account. The unallocated portion of the transaction due accounts becoming ineligible upon application of the thresholds will be allocated among the remaining accounts *pro rata*, until the transaction is fully allocated. Any cutback from the initially anticipated transaction size shall likewise be allocated *pro rata*, applying minimum position size

thresholds and in the event any account become ineligible, reallocating *pro rata* among participating accounts.

The Adviser does not receive Client referrals from broker-dealers or third parties.

The Adviser does not recommend, request or require Client direction regarding broker-dealers.

Item 13: Review of Accounts

The Adviser manages the Clients' accounts on a daily basis. In addition, each Client's account is reviewed on an ongoing basis (at least quarterly) to assess performance. The purpose of the review is to ensure that the Client's investment policies are reflected in the management of the account. The reviewers are investment committee members.

Item 14: Client Referrals and Other Fees

The Adviser does not directly or indirectly compensate any third party for client referrals. However, they may engage a placement agent to assist with the distribution of certain of the Clients' interests. Compensation under this arrangement will generally be a percentage of the assets raised. The compensation is paid by the Adviser, not the Clients. The Adviser will verify that any party compensated to distribute the Clients' securities is properly registered.

Item 15: Custody

It is the Adviser's general policy not to have physical custody of any Client assets. However, the Adviser may be deemed to have custody of the assets of a certain Client because of the authority it or a related party has over such Client or its assets. It is the Adviser's policy generally to cause each Client with assets over which the Adviser is deemed to have "custody" to be audited annually and to distribute audited financial statements, prepared in accordance with U.S. generally accepted accounting principles ("GAAP"), to investors no later than 120 days after the end of each fiscal year. In addition, upon the final liquidation of any such Client, the Adviser will obtain a final audit and distribute audited financial statements prepared in accordance with GAAP with respect to such Client to all investors promptly after completion of the audit.

Item 16: Investment Discretion

The Adviser generally has discretionary authority to determine, without obtaining specific consent from Clients or their investors, the securities (and amounts thereof) to be bought or sold. Any limitations on authority are included in Clients' governing documents. The Adviser may provide certain investors more frequent or more detailed reports of the Clients' portfolio holdings or performance, special fee and allocation arrangements, and special withdrawal rights that it does not provide to other investors.

Any limitations on authority are included in the Clients' governing documents.

Item 17: Voting Client Securities

The Adviser will vote each proxy in accordance with their fiduciary duty to the Clients. The Adviser will generally seek to vote proxies in a way that maximizes the value of the Clients' assets. The CCO coordinates the Adviser's proxy voting process.

The Adviser is required to maintain certain books and records associated with proxy voting policies and procedures. The CCO will ensure that the Adviser complies with all applicable recordkeeping requirements associated with proxy voting.

The CCO will consider whether the Adviser is subject to any material conflict of interest in connection with each proxy vote. Employees must notify the CCO if they are aware of any potential conflict of interest associated with a proxy vote. It is impossible to anticipate all material conflicts of interest that could arise in connection with proxy voting.

In addition, if the Clients receive documents regarding class action litigation, the Adviser will ensure that the Clients either participate in, or opt out of, any class action settlements received. The Adviser will determine if it is in the best interest of the Clients to recover monies from a class action. In the event the Adviser opts out of a class action settlement, documentation of any cost/benefit analysis to support its decision will be maintained.

Item 18: Financial Information

The Adviser's fees will be typically assessed and collected in arrears.

The Adviser has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage Client accounts.