



Item 1: Cover Page

Main Office Location

Bear Creek Asset Management, LLC
1200 17th Street, Suite 970
Denver, CO 80202

(303) 459-7333 Telephone
(303) 459-7339 Facsimile

Form ADV Part 2A

Investment Adviser Brochure

December 31, 2023

This Form ADV Part 2A brochure (“Brochure”) provides information about the qualifications and business practices of Bear Creek Asset Management, LLC. If you have any questions about the contents of this brochure, please contact David Silver, our Chief Compliance Officer, at (303) 459-7342 or by e-mail at dsilver@bearcreekam.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 Bear Creek Asset Management, LLC (CRD #137677) also is available on the SEC’s website at adviserinfo.sec.gov.

Bear Creek Asset Management, LLC is an investment adviser registered with the SEC. Registration with the SEC does not imply any level of skill or training.

Item 2: Material Changes

Annual Update

This section of the Brochure will be updated annually and when material changes are made of this Brochure.

The last update to the Brochure was in December 2022. A summary of material changes since the last update to the Brochure are as follows:

- Certain risk factors were updated and added in Item 8.

Clients, investors and prospective clients or investors are encouraged to read the Brochure in its entirety.

Full Brochure Available

If you would like to receive another copy of this Brochure, please download it from the SEC website at <https://adviserinfo.sec.gov/firm/summary/137677> or you may contact David Silver, our Chief Compliance Officer, by phone at 303-459-7342 or by e-mail at dsilver@bearcreekam.com.

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Item 4: Advisory Business

Bear Creek Asset Management, LLC (“Bear Creek”, the “Adviser”, the “Company” “we”, “our” and “us”) is a limited liability company formed in 2005, and is 100% owned by Bear Creek Holding Company, LLC (“BC Holding”). BC Holding is privately owned by Joseph (“Jim”) H.M. Roddy and Shawn M. O’Neal.

Bear Creek provides discretionary investment advisory services specific to the needs of each client by offering separate account portfolio managed services (“SMA Clients” or collectively, “SMAs”). Bear Creek focuses on supplying fixed income asset management. Bear Creek limits its advice to these types of investments, and it does not consider this to be financial planning. Bear Creek’s focus is on achieving returns relative to the risks taken.

Prior to providing discretionary investment advisory services, Bear Creek will ascertain each client’s investment objective(s), risk tolerance, time horizon, together with any other information relating to the client’s overall investment requirements to determine the appropriate investment strategy for each client portfolio and to tailor Bear Creek’s advice and recommendations to the individual needs of each client portfolio. Bear Creek’s SMA Clients include high-net-worth individuals, trusts, foundations, charitable organizations, corporations and other business entities.

Bear Creek also provides discretionary investment advice to privately offered pooled investment vehicles sponsored by the Adviser or an affiliate (each, a “Fund Client” and collectively, “Fund Clients”). Each Fund Client’s investment objectives, strategies, characteristics, fees and expenses, risks including, but not limited to, potential for complete loss of principal and liquidity constraints, and material characteristics are disclosed more fully in the Fund Client’s respective offering memorandum, partnership agreement, subscription document, or other governing documents (collectively, “Offering Documents”) distributed to Fund Client investors and qualified prospective investors.

Bear Creek seeks to investigate, analyze, structure, and negotiate potential investments for each Fund Client. Further, Bear Creek advisory services include evaluating, monitoring, and advising as to the disposition of investment opportunities, and taking other appropriate action with respect to investments on behalf of each Fund Client.

Bear Creek may recommend, on a non-discretionary basis, that certain SMA Clients and other potential qualified investors consider making an investment in the Fund Clients. Bear Creek will solicit SMA Clients and other potential qualified investors to make investments in the Fund Clients, but SMA Clients and other potential qualified investors make the ultimate decision whether to make an investment in the Fund Client(s). Bear Creek does not have discretionary authority to make investments in the Fund Clients on behalf of SMA Clients or potential qualified investors..

Bear Creek tailors its advisory services to the investment strategy of each Fund Client we advise. Bear Creek does not, however, tailor its management of any Fund Client to the individual investment objectives or financial situation of any investor in a Fund Client.

Bear Creek requires clients to enter into and execute an investment advisory agreement, which grants Bear Creek discretionary authority to determine, without obtaining specific client consent for each transaction,

the securities to be bought or sold, the amount of securities to be bought or sold, the broker or dealer to be used, and the commission rates to be paid. Clients may impose reasonable restrictions or limitations on investing in certain securities or types of securities. The client, may, at any time impose reasonable restrictions on Bear Creek's management of their accounts if Bear Creek determines, in its sole discretion, that the conditions would not materially impact the performance of the investment management strategy or prove overly restrictive to Bear Creek's investment management efforts.

Bear Creek does not participate in wrap fee programs.

As of December 31, 2023, Bear Creek managed approximately \$4,640,676,235 of regulatory assets under management on a discretionary basis. We do not have non-discretionary assets under management.

Item 5: Fees and Compensation

Each SMA Client generally pays Bear Creek an investment advisory fee (the "Advisory Fee") that is agreed upon with each client and set forth in the investment advisory agreement (the "IA Agreement") executed by Bear Creek and the client. Bear Creek's Advisory Fee is based on a percentage of the average market value of the client's assets under management for the entire billing period, including cash and cash equivalents. For the calculation of the Advisory Fee, the average market value of the assets is calculated by dividing the sum of the daily ending market value of the assets by the number of days in the billing period. The standard charge is 0.25% per year on the determined market value of the assets under management. The Advisory Fee is negotiable and can differ between clients. The Advisory Fee is calculated, billed, and collected at the end of each calendar quarter.

To calculate the Advisory Fee for an SMA Client, we generally rely on prices provided by third-party pricing services for purposes of valuing securities held in the SMA Client account. We may be required to fair value a security when the market price is not readily available, or we have reason to believe the third-party price is unreliable. For any fair value priced security, we follow internal policies and procedures to mitigate any conflicts of interest with respect to valuation.

Each Fund Client generally pays Bear Creek an investment advisory fee or an affiliate a management fee ("Fund Management Fees") based on a percentage of the Fund Client's invested capital and a carried interest based on the realized profits of the Fund Client, as set forth in the Offering Documents of the Fund Client. In general investors in the Fund Client are entitled to a return of their contributed capital, plus a preferred return before Bear Creek or its affiliates are entitled to earn any carried interest. The advisory fee, management fee and carried interest ("Fund Fees") vary for each Fund Client and are disclosed in the Offering Documents of each Fund Client. The Offering Documents of each Fund Client permit Bear Creek to negotiate different fees with investors, and to reduce or waive fees for certain investors, and affiliates, principals, and employees of the Advisor.

The Advisory Fees are typically payable quarterly and calculated on the last day of each fiscal quarter. Bear Creek generally deducts the Advisory Fees directly from the SMA's account held at a qualified custodian, as authorized by the IA Agreement and SMA Client's agreement with the qualified custodian. The amount

billed and paid will be reflected on your next account statement sent by the qualified custodian. You may request Bear Creek to bill you directly for the Advisory Fee.

The Fund Management Fees are typically payable when cash distributions are made to Fund Client investors. Bear Creek or an affiliate submits a Letter of Authorization to the qualified custodian to pay the Fund Management Fees.

The more assets an SMA Client has in their account, including cash and cash equivalents, the more the investor will pay in advisory fees to Bear Creek. The more assets an investor invests in a Fund Client, including cash and cash equivalents, the more the investor will pay in advisory fees and management fees to Bear Creek and its affiliates. Therefore, Bear Creek has an incentive to increase the amount of assets, including cash and cash equivalents, an investor has in their SMA account and to increase the amount of assets an investor contributes to a Fund Client in order to increase fees to Bear Creek and its affiliates.

Unless the SMA Client directs otherwise or an individual SMA Client's circumstances require, Bear Creek will generally recommend that Pershing Advisor Solutions, LLC, an SEC-registered, FINRA, and SIPC member broker-dealer ("Pershing"), serve as the broker-dealer/custodian for client investment management assets.

In addition to paying Bear Creek's fees, Pershing and other custodians may charge additional fees to clients such as custodial fees, transaction fees, margin fees, service provider fees, and other related costs and expenses, which are incurred by the client. If clients maintain investments in mutual funds, the funds usually deduct advisory fees, expenses and distribution fees from the client's investment. For additional information see "Item 12 Brokerage Practices" of this Brochure.

UMB Bank, N.A. ("UMB") is the custodian for the Fund Clients. In addition to paying the fees to Bear Creek and its affiliates, UMB charges an annual custody fee and charges fees for money movement out of each respective Fund Client account.

In addition to the custodial costs to UMB, each Fund Client typically bears other operational costs such as: borrowing and interest costs; fees related to audit services, the preparation of financial and tax reports, and tax returns of the Fund Client; expenses with respect to regulatory and legal advice, and filings and compliance matters of the Fund Client; the costs of litigation involving the Fund Client; liquidating expenses, taxes, fees or other governmental charges levied against the Fund Client; expenses incurred in connection with any tax audit, investigation, settlement or review of the Fund Client; and other expenses of the Fund Client as disclosed in the applicable Offering Documents. Each Fund Client is generally obligated to reimburse the Adviser and its affiliates for any such operational costs they advance on behalf of the Fund Client.

It is Bear Creek's policy to allocate fees and expenses to Fund Clients in accordance with the Adviser's expense allocation policies and procedures, which may be amended from time to time, and any specific allocation provisions set forth in the Fund Client's Offering Documents.

Further information regarding fees and other compensation paid to Bear Creek and its affiliates with respect to a Fund Client and its portfolio investments is set forth in each applicable Fund Client's Offering Documents. A Fund Client's current and prospective investors should refer to the Offering Documents of the applicable Fund Client for detailed information with respect to the fees and expenses applicable to an

investment in such Fund Client. The information herein is a summary only and is qualified in its entirety by such documents.

Bear Creek and its affiliates make money from the Fund Clients by earning investment advisory fees, management fees, and in some cases, share in the profits based on realized capital gains of assets. The potential opportunity for Bear Creek and its affiliates to receive higher fees from its Fund Clients provides an incentive for Bear Creek to encourage SMA Clients and other potential qualified investors to make investments in the Fund Clients. SMA Clients and other potential qualified investors are solicited to invest in the Fund Clients by Bear Creek, and SMA Clients and other potential qualified investors make the ultimate decision whether to make an investment in the Fund Client(s). Bear Creek does not have discretionary authority to make investments in the Fund Clients on behalf of SMA Clients or potential qualified investors.

Bear Creek clients may not and are not required to pay fees in advance.

Bear Creek's supervised persons do not accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from sales of mutual funds.

Bear Creek clients have the option to direct the purchase of investment products that Bear Creek recommends through other brokers or agents that are not affiliated with Bear Creek.

The IA Agreement may be terminated by either Bear Creek or the client by submitting written notice. If Bear Creek receives notice of termination within five (5) business days of the client and Bear Creek signing the Investment Advisory Agreement, the services will be terminated without penalty (*i.e.*, no fees are due). After the initial five (5) business days, fees will be due based on the number of days of services provided prior to receipt of such notice. Termination of services will not affect Bear Creek's or the client's liabilities or obligations arising out of transactions initiated on behalf of the client prior to termination.

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

Performance-based fees, including carried interest, are fees that are based on a share of capital gains or capital appreciation of a client's account.

Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Bear Creek can charge a performance fee only to qualified clients. Rule 205-3 under the Act defines a qualified client as: 1) a natural person who or a company that has at least \$1,100,000 assets under management with Bear Creek; or 2) has a net worth that Bear Creek reasonably believes to be in excess of \$2,200,000. A qualified client also includes both "qualified purchaser" as defined in section 2(a)51(A) of the Investment Company Act (the "Company Act") and Bear Creek's knowledgeable employees.

Performance-based fees and side-by-side management present a conflict of interest as these arrangements create incentive for Bear Creek to make investments or take actions on behalf of such client that are riskier or more speculative than would be the case in the absence of the performance-based compensation arrangement or side-by-side management. The receipt of performance-based fees also presents a conflict

of interest whereby Bear Creek is incentivized to favor the accounts which we receive performance-based fees over the accounts that do not pay performance-based fees. Bear Creek will monitor our managed accounts and if performance-based fees are charged, or Bear Creek engages in side-by-side management, Bear Creek will follow policies and procedures to address these conflicts through elimination, disclosure, or a combination of disclosure and mitigation.

Neither Bear Creek nor any supervised person of Bear Creek accepts performance-based fees or participates in side-by-side management in Bear Creek SMA Client accounts where Bear Creek has discretionary trading authority.

As discussed in Item 5 (Fees and Compensation), Bear Creek or an affiliate, including a Fund Client's general partner or managing member, generally receive from a Fund Client carried interest based on the profits of the Fund Client, as set forth in the Offering Documents of the applicable Fund Client. The Adviser seeks to structure any performance-based fees to comply with Section 205(a)(1) of the Investment Advisers Act of 1940, as amended (the "Advisers Act"), and Rule 205-3 thereunder, as applicable.

To the extent a Fund Client pays Bear Creek or an affiliate a performance-based fee, this creates incentive for the Adviser to make investments or take actions on behalf of such Fund Client that are riskier or more speculative than would be the case in the absence of the performance-based compensation arrangement. The receipt of performance-based fees also presents a conflict of interest whereby Bear Creek is incentivized to favor the Fund Clients that pay performance-based fees over Fund Clients that do not pay such fees.

Bear Creek has developed policies and procedures designed to disclose, mitigate, and/or eliminate conflicts of interest that arise when managing SMA or Fund Clients with different fee structures. It is the Adviser's policy not to consider fees when allocating investments among Fund Clients. When an investment is appropriate for multiple clients, Bear Creek's policy is to allocate such investment among clients in a way it determines is appropriate based on, but not limited to, the size of the investment, and each client's investment objectives, return targets, diversification considerations, eligibility to participate in such investment, available capital, investing time horizon, and/or liquidity needs.

Item 7: Types of Clients

Bear Creek currently manages the assets of SMA Clients which include high-net-worth individuals, trusts, foundations, charitable organizations, corporations and other business entities.

Bear Creek also manages the assets of privately offered pooled investment vehicles for which its affiliates act as general partner, manager or sponsor. The Fund Clients are generally pooled investment vehicles excluded from the definition of an "investment company" by Section 3(c)(1) of the Investment Company Act of 1940, as amended (the "Investment Company Act"). Bear Creek expects investors in a Fund Client will generally be "accredited investors" as defined under the Securities Act of 1933, as amended (the "Securities Act") and "qualified clients" as defined under the Advisers Act.

Bear Creek generally seeks investors for Fund Clients that include, for example, high net worth individuals, institutional investors, trusts, charitable organizations and other business entities.

Bear Creek does not provide investment supervisory services, manage advisor accounts, or hold itself out as providing financial planning or similarly termed services.

Bear Creek imposes a minimum dollar value of assets and other conditions for starting or maintaining an SMA Client account. As a result of the minimum account value requirement, Bear Creek's services may not be appropriate for everyone.

Bear Creek imposes a minimum capital commitment and other conditions for investing in a particular Fund Client, as set forth in the applicable Fund Client's Offering Documents.

Bear Creek may reduce its fees, may waive account minimums and other conditions at our sole discretion.

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

Bear Creek utilizes the following methods of security analysis for SMA Clients:

- Fundamental Analysis – The evaluation of a security by attempting to measure its intrinsic value by studying economic, financial and other quantitative and qualitative factors including, historical and present data; and
- Technical Analysis – The evaluation and examination of historical data, focusing on price and trade volume, to forecast the direction of prices and an estimate of the future value of a security.

The main sources of information used for analysis includes, but is not limited to, financial newspapers and magazines, research materials prepared by others, corporate rating services, annual reports, prospectuses, filings with the SEC and company press releases. Long-term purchases (securities held at least a year), short-term purchases (securities sold within a year), trading (securities sold within 30 days), and margin transactions are the investment strategies utilized by Bear Creek to implement investment advice to its clients.

Bear Creek offers advice on securities including, but not limited to, traded over the counter, foreign issuers, warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, mutual fund shares, preferred stocks, United States government securities, options contracts on securities, and interests in partnerships or pooled investment vehicles. Bear Creek allocates SMA Client investment assets on a discretionary basis in accordance with the SMA Client's designated investment objectives, risk tolerances and guidelines.

Bear Creek uses a multi-step investment approach to seek to achieve long-term capital appreciation and current income for its Fund Clients:

- Sourcing and identifying investment opportunities;
- Evaluating the investment opportunity, including the counterparty and characteristics of the proposed investment

- Performing extensive due diligence on prospective investments, including planning and anticipating the disposition or exit from the investment;
- Assessing the value of the investment and the current execution price;
- Actively managing and monitoring the investment;
- Evaluating appropriate exit alternatives.

Bear Creek targets industries and investments for its Fund Clients in which its investment professionals and affiliates have prior experience and strong relationships. Bear Creek attempts to identify investments with favorable risk/reward characteristics for the Fund Clients.

Bear Creek devotes significant resources to performing extensive due diligence on potential investments. Such due diligence on potential investments includes, but is not limited to, the following:

- Review and analysis of financial statements and other relevant company or investment information;
- Meetings with management;
- Discussion with industry or geographical professionals and/or consultants;
- Engaging third-party specialists to assist in valuation;
- Review of investment terms;
- Engaging attorneys to review investment documents;
- Developing and analyzing exit strategies; and
- On-side visits (if applicable)

Material Risks

Investing in any security involves risk of loss that investors must be prepared to bear, including losing principal. The Adviser's past performance is not a guarantee of future results and certain market and economic risks exist that may adversely affect an SMA Client's and/or Fund Client's performance. There can be no assurance that the investment objective of any client will be achieved or that a client will receive the return of its principal invested. Different types of investments involve varying degrees of risk, and it should not be assumed that the future performance of any specific investment or investment strategy will be profitable or equal to any specific performance level. Short-term purchases and frequent trading may result in increased brokerage fees, trading costs, and taxes which can negatively impact investment performance. Long-term purchases or investment strategies require a longer investment period to allow for the strategy to potentially develop. Margin transactions involve an increased risk of losing more than the amount of assets contained in the account, and therefore, clients may be required to deposit additional funds or sell additional securities to pay for losses incurred in margin transactions. The market value of fixed income securities will generally fluctuate with interest rates and based on other market conditions. Fixed income securities are obligations of the issuer to make payments of principal and/or interest on future dates, and include, among other securities: bonds, notes, and debentures issued by corporations; debt securities issued or guaranteed by the U.S. government or one of its agencies, or by a non-U.S. government or one of its agencies; municipal securities; and mortgage-backed and asset-backed securities. The value of longer duration fixed income securities will generally fluctuate more than shorter duration fixed income securities.

Bear Creek's investment strategies, the SMA Clients, and the Fund Clients will be affected by many factors. The following is a list of certain material risks and limitations of investing in SMA Clients and/or Fund

Clients. Please note the following is not exhaustive and other potential risks exist when investing in an SMA Client or a Fund Client.

Additional risks are set forth in the applicable Offering Documents for each Fund Client provided to investors and qualified potential investors. The following summary of material risks is qualified by the respective Fund Client's Offering Documents.

The material risks to the SMA Clients and the Fund Clients (collectively, a "Client" or the "Clients") include, but are not limited to, the following:

No Assurance of Investment Return – All securities and other investments risk the loss of capital. No guarantee or representation is made that a Client will achieve its investment objective or that a Client will not lose all or substantially all of its investment. There can be no assurance that Bear Creek will be able to generate returns for a Client or Fund Client investors or that the returns will be commensurate with this risks of investing in the types of investments and transactions that the Client seeks to make. Accordingly, investing should only be considered by persons who can afford to lose their entire investment. Past performance is not indicative of future results, and there can be no assurance that a Client will achieve comparable results or targeted returns will be achieved.

Market and Economic Risk – An investment's value may decline due to changes in general economic and market conditions. Changes in economic conditions, including changes in interest rates, inflation rates, industry conditions, government regulation, competition, technological developments, political events and trends, tax laws and many other factors can affect substantially and adversely the business and prospects of a Client and of the value of the securities and other financial instruments in which it may invest. These and other factors may affect the level and volatility of securities prices, the correlations and relationships between the prices of various securities and the liquidity of the Company's investments in ways that impair the Company's profitability or result in losses. Unpredictable or unstable market conditions may also result in reduced opportunities to find suitable investments to deploy capital or make it more difficult to exit and realize value from the Company's investments. None of these conditions are within the control of Bear Creek. A Client's strategy may in some investments be based, in part, upon the premise that securities or other assets will be available for purchase by the Client at prices that we consider favorable. Furthermore, a Client's strategy relies, in part, upon the availability of investment opportunities identified by Bear Creek, the continuation of existing market conditions or, in some circumstances, upon more favorable market conditions or anticipated investment opportunities existing. These conditions and opportunities may include, among others, continued economic growth in a particular state or region; the continuation of certain existing laws, regulations, or government policies; or the continuation of certain trends related to unemployment, inflation, demographics, and other factors. No assurance can be given that such conditions or opportunities will arise or continue, as applicable, or that businesses and assets can be acquired or disposed of at favorable prices or that the market for such assets will either remain stable or, as applicable, recover or improve, since this will depend upon events and factors outside the control of Bear Creek.

Management Risk – The Adviser's investment strategies or selection of specific investments may be unsuccessful and could result in portfolio losses. The success of the Clients is substantially dependent upon the skills of the Adviser and its personnel in sourcing, selecting, and monitoring investments. There can be no assurance that the Adviser will successfully identify investments which fulfil a Client's investment objective or that the Client's investments will not cause it to experience investment losses. Legislative,

regulatory, or tax developments may affect the investment techniques available to Bear Creek. Any prior success of the Adviser or its personnel should not be construed as assuring any level of future success or profitability to the Clients.

Lack of Sufficient Investment Opportunities; Competition – It is possible that a Client will never be fully invested if enough sufficiently attractive investments are not identified. The availability of investment opportunities generally will be subject to market conditions as well as the prevailing regulatory or political climate. In addition, a Client will be competing with a significant number of other investors, including private investment funds, institutional and strategic (industry) investors, and other firms which may have substantially greater financial resources and research staffs than the Adviser, for investments in portfolio companies and other assets. The business of identifying and structuring investments is also highly competitive and involves a high degree of uncertainty. We expect that competition for appropriate investment opportunities may increase, which could reduce the number of investment opportunities available to Clients and adversely affect the terms upon which investments can be made.

Industry / Concentration Risk – A Client's investments could be concentrated within one industry or one group of industries. The Company generally seeks to maintain a diversified portfolio of investments. However, Clients, may at certain times hold relatively few investments which could subject the Client to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected. Investments focused on a particular industry are subject to greater risk of loss due to market volatility than less concentrated investments.

Sector Risk – Sector risk is the risk that an event occurs within a sector will adversely affect the value of the investments within that sector.

Risks Affecting Specific Issuers – The value of an investment may decline in response to developments affecting the specific issuer of the investment, even if the overall industry or economy is unaffected. These developments may comprise a variety of factors, including but not limited to management issues or other corporate disruption, political factors adversely affecting government issuers, a decline in revenues or profitability, an increase in costs, or an adverse effect on the issuer's competitive position.

Volatility and Market Fluctuations - Volatility and fluctuations in the market prices of investments may adversely affect the value of the investments held by a Client. Instability in the financial markets may also increase the risks inherent in a Client's investments. A Client may incur substantial losses in the event of disrupted markets or other extraordinary events in which historical pricing relationships become materially distorted. The risk of loss from pricing distortions is compounded by the fact that, in disrupted markets, many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. If an investment is embedded with an option, the investment's value will increase or decrease depending on the nature of the option.

Nature and Risks of Investments – The types of investments contemplated by a Client are subject to various risks, particularly the risk that the Client will be unable to dispose of its investments by sale or other means at attractive prices or will otherwise be unable to complete any exit strategy. These risks include changes in the financial condition or prospects of the assets underlying the securities in which a Client invests.

Valuation – The process of valuing securities or assets for which reliable market quotations are not available

is based on inherent uncertainties, and the resulting values may differ from values that would have been determined had a ready market existed for such assets, from values placed on such assets by other investors and from prices at which such assets may ultimately be sold. In addition, third-party pricing information may at times not be available regarding certain of a Client's assets. Further, the value of a Client's assets that can be liquidated may differ, sometimes significantly, from their valuations, due to size, concentration, or other factors.

Past Performance Not a Predictor of Future Results - The track record of the Company does not imply or predict (directly or indirectly) any level of future performance of the Company and its investments. The performance of the Company and its investments is dependent on future events and is, therefore, inherently uncertain. Past performance cannot be relied upon to predict future events for a variety of factors, including, without limitation, varying business strategies, different local and national economic circumstances, different supply and demand characteristics relevant to buyers and seller of assets, varying degrees of competition and varying circumstances pertaining to the capital markets.

Fixed Income Investments – Investments in debt, credit, and other fixed income products are subject to a variety of risks that can have a material adverse impact on a Client's portfolio, including risks related to interest rate fluctuations, credit of an issuer, inflation, loan prepayment, duration of an investment, reinvestment of capital, and subordination in a capital structure.

Equity Securities Risk – Equity securities are subject to changes in value and their values can be more volatile than other asset classes. The value of equity securities varies in response to many factors. These factors include, without limitation, factors specific to an issuer and the industry in which the issuer securities are subject to stock risk. Historically, U.S. and non-U.S. stock markets have experienced periods of substantial price volatility and will do so again in the future.

Risks of Preferred Stock – Preferred stock dividends are generally fixed in advance and therefore sensitive to interest rates. In general, the share price falls as prevailing interest rates increase and a Client holding preferred securities could lose money. Unlike requirements to pay interest on certain types of debt securities, a company that issues preferred stock may not be required to pay a dividend and may stop paying the dividend at any time if, for example, it lacks the financial ability to do so. Dividends on preferred stock may be cumulative, meaning that, in the event the issuer fails to make one or more dividend payments on the preferred stock, no dividends may be paid on the issuer's common stock until all unpaid preferred stock dividends have been paid. Preferred stock can be subject to optional or mandatory redemption provisions since most preferred shares allow the issuing company to redeem the shares and an issuer may repurchase these securities at prices that are below the price at which they were purchased.

Risks of Government Securities – U.S. government securities include direct obligations of the U.S. government that are supported by its full faith and credit. While U.S. government securities have not historically faced a significant risk of default, a ratings downgrade, temporary default, or other adverse development affecting such securities cannot be ruled out. As the aggregate debt represented by such securities continues to increase, the credit rating of the U.S. government could potentially be downgraded in the future.

Risks of Municipal Securities – In addition to the risks related to all fixed income investments, as listed above, municipal securities face certain additional specific risks. For example, tax policy changes, other

legislation or political events and economic conditions may impact the ability of a municipal security issuer to make principal or interest payments. The value of municipal securities can be negatively impacted by increasing local and state government liabilities and decreasing tax revenue. For example, a tax-exempt bond will be more valuable if the tax rate is high, as people will have more incentive to have tax-exempt investment. However, if the government lowers the tax rate, then the tax-exempt bond will lose value. Also, if the government announces the bond is no longer tax-exempt, the bond's value will decline. The value of municipal securities can be negatively impacted by increasing local and state government liabilities and decreasing tax revenue. See Political or Legal Risk below for more information.

Tax-Exempt Security Risk – A Client may invest in certain tax-exempt securities. The interest from such instruments is generally exempt from U.S. federal income tax. The Internal Revenue Code of 1986, as amended, imposes certain continuing requirements on issuers of tax-exempt instruments. Failure by the issuer to comply, subsequent to the issuance of tax-exempt instruments, with certain of these requirements could cause interest on the bonds to become includable in gross income retroactive to the date of issuance, which may reduce the value of the bonds or investment. If such requirements are not met, the income on such tax-exempt instruments may become taxable, the value of the investment may be reduced, a Client may be required to sell the investment at a reduced value and the Clients may be subject to unanticipated tax liabilities.

Risks of High-Yield Securities – “High-yield” bonds and other debt securities are generally rated in the lower rating categories by the various credit rating agencies (or in comparable non-rated securities). Debt securities in the lower categories are subject to greater risk of loss of principal and interest than higher-rated securities and are generally considered to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal. They are also generally considered to be subject to greater risk than debt securities with higher ratings in the case of deterioration or general economic conditions. The market for lower-rated debt securities is thinner and less active than that for higher rated securities, which can adversely affect the prices at which these securities can be sold.

Risks of Convertible Securities - Convertible securities generally provide higher yields than the underlying equity securities, but generally offer lower yields than non-convertible securities of similar quality. The value of convertible securities fluctuates in relation to changes in interest rates, and in addition, fluctuates in relation to the underlying common stock.

Political or Legal Risk – Political or legal risk arises when actions by the government adversely affect the value of a security. For example, the government can either change the tax rate or declare a bond as taxable when it was previously tax-exempt. If you invest in a tax-exempt bond, then the bond will be more valuable if the tax rate is high, as people will have more incentive to have tax-exempt investment. However, if the government lowers the tax rate, then the tax-exempt bond will lose value. Also, if the government announces the bond is no longer tax-exempt, the bond's value will decline.

Legislative Risk – From time to time, proposals have been introduced before the United States Congress for the purpose of restricting or eliminating the federal tax exemption for interest on tax-exempt bonds, and similar proposals may be introduced in the future. It is not possible to determine what effects of adoption of such proposals could have on availability of municipal securities for investment by clients and the value of the client's investments. In addition to municipal securities, each industry in which Bear Creek determines to invest is exposed to legislative risks that are particular to such industry.

Interest Rate Risk – The value of investments typically rises or falls based on the underlying interest rate environment. Generally, as interest rates rise, fixed income investment prices fall. On the other hand, if rates fall, the value of the fixed income investments generally increases, but the income derived from such investments will likely decrease. Securities with greater interest rate sensitivity and longer maturities generally are subject to greater fluctuations in value. Variable and floating rate securities are generally less sensitive to interest rate changes than fixed rate instruments, but the value of variable and floating rate securities may decline if their interest rates do not rise as quickly, or as much, as general interest rates. Many factors can cause interest rates to rise. Some examples include central bank monetary policy (such as an interest rate increase or decrease by the Federal Reserve), rising inflation rates, and general economic conditions.

Credit/Default Risk – The majority of fixed income instruments are dependent on the underlying credit of the issuer. There is a risk of loss of principal or other loss as a result of a borrower's failure to repay a loan or otherwise meet a contractual obligation. In addition, the credit quality of an investment may be lowered if an issuer's or a counterparty's financial condition changes. Lower credit quality may lead to greater volatility in the price of an investment, affect liquidity and make it difficult to sell the investment. Certain investments are rated in the lowest investment grade category. Such investments are considered to have speculative characteristics similar to high yield securities, and issuers or counterparties of such investments are more vulnerable to changes in economic conditions than issuers or counterparties of higher-grade investments. Prices of fixed income investments may be adversely affected, and credit spreads may increase if any of the issuers or counterparties to such investments are subject to an actual or perceived deterioration in their credit quality. Credit spread risk is the risk that economic and market conditions or any actual or perceived credit deterioration of an issuer may lead to an increase in the credit spreads (i.e., the difference in yield between two securities of similar maturity but different credit quality) and a decline in price of the issuer's investments.

Inflation Risk – The Adviser's performance may be adversely affected by inflationary conditions in any market in which the Adviser operates or in which its investments are located. Deterioration in economic conditions, or a significant rise in inflation, could cause a decrease in the relative value of any investments (including fixed income or similar investments with fixed rates of return), bankruptcy and insolvency filings to increase, and the ability of borrowers to pay their debts or counterparties to satisfy their obligations could be adversely affected. Also, increases in interest rates may adversely affect the relative value of the underlying investment if it does not rise commensurately. This may in turn adversely impact the Adviser's business and financial results. If global credit market conditions and the stability of global banks deteriorate, the amount of lending and financing could be reduced, thus reducing the volume of investments available for purchase, which could adversely affect the Adviser's business, financial results and ability to succeed in various markets. Other factors associated with the economy that could influence the Adviser's performance include the financial stability of the lenders on any bank loans and credit facilities and the Adviser's access to capital and credit.

Managed Portfolio Risk – The manager's investment strategies or selection of specific securities may be unsuccessful and could result in portfolio losses. Legislative, regulatory, or tax developments may affect the investment techniques available to Bear Creek.

Margin Risk – buying or selling on margin is borrowing money from a broker in order to purchase or sell

stock. Margin trading allows you to purchase or sell more securities than you would be able to normally. Margin risk is the risk that you can lose much more money than you initially invested. When using margin your account has to maintain a certain value, called maintenance margin. If an account loses too much value due to underperforming investments, the broker will issue a margin call, demanding you deposit more funds or sell holdings to pay down the margin loan.

Available Information – The Company selects investments in part on the basis of information and data filed by the issuers of securities or owners of other assets with various government regulators or made directly available to the Company by such issuers or owners, or through sources other than the issuers or owners. The Company evaluates all such information and data but we are not in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases complete and accurate information is not readily available.

Systemic Risk - Credit risk may also arise through a default by one of several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by the other institutions. This is sometimes referred to as a “systemic risk” and may adversely affect financial intermediaries (such as clearing agencies, clearing houses, banks, securities firms and exchanges) with which the Company and its Clients will interact on a daily basis.

Liquidity Risk – Due to a lack of demand in the marketplace or other factors, an account may not be able to sell some of the investments promptly or may only be able to sell investments at less than desired prices.

Extension Risk – When interest rates rise, certain obligations will be paid off by the obligor more slowly than originally anticipated, causing the value of these obligations to fall.

Prepayment Risk – When interest rates fall, certain obligations will be paid off by the obligor more quickly than originally anticipated, and a Client may have to invest the proceeds in securities with lower yields.

Duration Risk – Duration is the primary measure of risk within fixed income investments. Duration measures the approximate price sensitivity of an investment to a one percent (1%) rise or fall in interest rates. Bear Creek seeks to manage duration risk; however, changing conditions and perceptions, including market fluctuations, over which Bear Creek has no control, may modify an obligation’s duration and, independently, have other effects on the value of an investment.

Reinvestment Risk – Reinvestment risk arises when reinvesting the income received from investments. Reinvestment risk is the risk that interest rates will decrease, meaning the proceeds from investments will be invested at lower interest rates and, therefore, lower returns.

Risk of Terrorist Activities – The Company’s investments are in areas which could be subject to future acts of terrorism or war. Such acts of terrorism or war may disrupt operations or damage assets securing the investments of the Company, which could cause the Company and its clients to suffer losses.

Availability of Insurance against Certain Catastrophic Losses. Certain losses of a catastrophic nature, such as wars, earthquakes, terrorist attacks or other similar events, may be either uninsurable or insurable at such high rates that to maintain such coverage would cause an adverse impact on the related investments. In general, losses related to terrorism are becoming harder and more expensive to insure against. Some insurers exclude terrorism coverage from their all-risk policies.

Force Majeure Events – The Company’s investments may be subject to catastrophic events and other force majeure events. These events could include fires, floods, earthquakes, adverse weather conditions, assertion of eminent domain, strikes, wars, riots, terrorist acts, “acts of God” and similar risks. These events could result in the partial or total loss of a portfolio investment or significant downtime resulting in lost revenues, among other potentially detrimental effects, and investors must be prepared to bear such losses. Some force majeure risks are generally uninsurable and, in some cases, investment agreements can be terminated if the force majeure event is so catastrophic that it cannot be remedied within a reasonable time period.

Certain Regulatory Considerations - Clients are expected to make investments in a number of different industries, some of which are or may become subject to regulation by one or more U.S. federal agencies and by various agencies of the states, localities, and counties in which they operate. New and existing regulations, changing regulatory schemes and the burdens of regulatory compliance all may have a material negative impact on the performance of portfolio investments that operate in these industries. The Adviser cannot predict whether new legislation or regulation governing those industries will be enacted by legislative bodies or governmental agencies, nor can it predict what effect such legislation or regulation might have.

The Adviser may be materially adversely affected as a result of new, proposed, or revised legislation or regulations imposed by the SEC, the Commodity Futures Trading Commission, or other U.S. or non-U.S. governmental regulatory authorities, state regulatory authorities or self-regulatory organizations that supervise the financial markets, including an increase in scrutiny of the alternative investment industry, as well as developments that are not directed at alternative asset managers but, nevertheless, affect the Adviser, its operations, and the Clients. Increased regulatory oversight may also impose additional administrative burdens on the Adviser and its affiliates, including, without limitation, responding to investigations and implementing new policies and procedures. Such burdens may divert the Adviser’s time, attention, and resources from portfolio management activities. The Adviser also may be materially adversely affected by changes in the interpretation or enforcement of existing laws and rules by these governmental authorities and self-regulatory organizations. Such changes could place limitations on the types of investors that can invest in alternative investment funds or on the conditions under which such investors may invest. Furthermore, such changes may limit the scope or manner of investing activities that may be undertaken by the Adviser. It is not practicable to determine with meaningful specificity the extent of the impact of any new laws, regulations or initiatives that may be proposed, or whether any of the proposals will become law. Any such regulations could increase the Adviser’s costs of doing business.

In addition, securities and futures markets are subject to comprehensive statutes, regulations, and margin requirements. The SEC, other regulators, self-regulatory organizations, and exchanges are authorized to take action against market participants. Further, the legal, tax and regulatory environment in the U.S. may change as a result of further governmental actions (including with respect to tariffs and other trade barriers). It is possible that certain changes may have a material adverse impact on the Adviser. In particular, tax legislation commonly referred to as the Tax Cuts and Jobs Act, is complex and introduces a significant number of new tax concepts to U.S. tax law, the full interpretation and implications of which are still unclear at this time. The effects of any future regulatory changes on the Adviser and the Clients could be substantial.

Fraud - There is the possibility of material misrepresentation or omission on the part of the borrower or the counterparty. Such inaccuracy or incompleteness may adversely affect the valuation of the collateral

underlying the loans or may adversely affect the ability of the Company to perfect or effectuate a lien on the collateral securing the loan. The Company will rely upon the accuracy and completeness of representations made by borrowers to the extent reasonable when it makes investments but cannot guarantee accuracy or completeness.

Global Market Developments - The success of Bear Creek's activities will be affected by general economic and market conditions, such as global pandemics, travel restrictions, quarantines, changes in interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls and national and international political circumstances (including wars, terrorist acts or security operations), as well as changes in government policy precipitated by the foregoing. These and other factors may affect the level and volatility of securities prices, the correlations and relationships between the prices of various securities and the liquidity of the Adviser's investments in ways that impair the Adviser's profitability or result in losses. Unpredictable or unstable market conditions may also result in reduced opportunities to find suitable investments to deploy capital or make it more difficult to exit and realize value from the Adviser's investments. From time to time, various markets around the world have experienced extreme periods of volatility, illiquidity, correlation with other markets, negative (or positive) performance and other disruptions and conditions that would previously have been viewed as extremely unlikely or even impossible. Such market developments have, in the past, led to large losses and insolvencies at numerous investment funds. For example, during the second half of 2008, the state of the worldwide economy deteriorated into a severe recession. Banks and others in the financial services industry reported significant write-downs in the fair value of their assets, which led to the failure of a number of banks and other financial institutions (including investment advisers and broker-dealers), a number of distressed mergers and acquisitions, and many extraordinary acts of intervention by governments. These events, among others, significantly constrained the availability of debt and equity capital for the markets as a whole. If a similar economic situation were to occur in the future, the Adviser could experience a reduction in attractive investment opportunities and the Adviser's investments could be materially impaired in many ways that cannot be predicted.

Furthermore, consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. Prospective investors should be aware that such confidence may be adversely affected by local, regional or global health crises including but not limited to the rapid and pandemic spread of novel viruses such as those commonly known as SARS, MERS, and COVID-19 (the novel coronavirus). Such health crises have previously, and could in the future, exacerbate political, social, and economic risks previously mentioned, and result in significant quarantines, travel restrictions, job losses, and breakdowns, delays and other disruptions to important global, local and regional supply chains affected, with potential corresponding results on the operating performance of the Adviser and affected investments. A climate of uncertainty and panic, including the contagion of infectious viruses or diseases, may reduce the availability of potential investment and divestment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections.

The COVID-19 pandemic has resulted in, among other events, governmental interventions (such as unprecedented global travel restrictions and regional and country-wide quarantines), slowing and/or the complete idling of certain significant U.S. and global businesses and sectors and general economic and

market turmoil and uncertainty. Further, there is heightened uncertainty as new variants of the COVID-19 virus emerge, consumer behaviors change, and U.S. and non-U.S. federal, state, and local governments respond differently. The impacts on markets, business activity and the U.S. and global economy, as well as potential changes in U.S. economic and fiscal policies that may be adopted (or not adopted at all) to address the pandemic and related externalities, are not yet fully identified or understood.

For example, prospective investors should be aware that significant travel and mobility restrictions can potentially make diligence and oversight of the Adviser's investments difficult or impossible, which could, among other things, disrupt the Adviser's anticipated reporting and adversely affect the Adviser and its investments. Travel and mobility restrictions may further mean critical employees and personnel of the Manager would be required or otherwise elect to work remotely, which may not be as effective as their customary work arrangements. Also, individuals are susceptible to contracting illnesses during global outbreaks such as the COVID-19 pandemic, and there is a risk of incapacity, hospitalization and death of employees and personnel of the Adviser, which could adversely affect the management of the Clients' assets and, ultimately, have a material adverse effect on the Adviser and its Clients.

In addition, the Adviser and the Clients' investments could be affected adversely if there is global instability as a result of certain political and economic events, such as the United Kingdom's exit from the European Union (commonly known as Brexit) and financial instability and weak growth in the European Union region, which could signify the potential collapse of the Euro. The Clients could incur material losses even if the Adviser reacts quickly to difficult market conditions, and there can be no assurance that the Clients will not suffer material losses and other adverse effects from rapid changes in market conditions in the future. Investors should realize that markets for the assets, securities, or instruments in which the Clients invest can correlate strongly with each other (or cease to correlate) at times or in ways that are difficult for the Adviser to predict. Even a well-analyzed approach may not protect the Clients from significant losses under certain market conditions.

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

Reliance on Certain Third Parties – The Adviser and its Clients are dependent upon its counterparties and certain service providers. Errors are inherent in the operations of any business, and although Bear Creek has adopted measures intended to prevent and detect errors by, and misconduct of, counterparties and service providers, and to transact with counterparties and service providers it believes to be reliable, such measures may not be effective in all cases. Errors or misconduct by such service providers could have a material adverse effect on the Clients.

Uncertainty of Financial Projections – Bear Creek will generally determine a Client's investments on the basis of financial projections and other information provided by such portfolio investments. Projected operating results will normally be based primarily on management judgments. 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 obtained, and actual results may

vary significantly from the projections. General economic conditions, which are not predictable, can have a material adverse impact on the reliability of such projections.

The Company's Success is Dependent on Key Personnel - The Company's success will depend to a significant extent upon the experience of the officers, employees and agents of the Company. The continued service of such officers, employees and agents cannot be guaranteed. The Company believes that the experience of its officers, employees and agents will assist the Company in obtaining investment opportunities for our investors. However, while the Company believes that it could replace these executives, the loss of any such persons or the loss of all of such persons at a single point in time could have a material adverse effect on the operations of the Company through a diminished ability to obtain investment opportunities and to structure and execute the Company's potential investments, developments and business plan. In addition, the Company may not successfully recruit additional personnel and any additional personnel that are recruited may not have the requisite skills, knowledge or experience necessary or desirable to enhance the incumbent management.

Brokers and Custodians - Institutions, such as brokerage firms or banks, will have custody of a Client's assets. These assets will often be registered in "street name" and not in the individual Client's name. Bankruptcy or fraud at one of these institutions could impair the operational capabilities or the capital position of the Client. The Company will attempt to concentrate its investment transactions with well-capitalized and established banks and brokerage firms in an effort to mitigate such risks. The brokers, as brokerage firms or commercial banks, are subject to various laws and regulations in various jurisdictions, some of which are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to the Company and its client's assets are subject to substantial limitations and uncertainties. The Company and the client will rank as an unsecured general creditor to its broker in relation to assets that the broker borrows, lends or otherwise uses and, in the event of the insolvency of the broker, the Company and its clients might not be able to recover equivalent assets in full.

Conflicts with Related Parties - Bear Creek and its affiliates are subject to a number of actual and potential conflicts of interest in connection with its relationship, and services shared among Bear Creek and its affiliates. Any such conflict of interest could have a material adverse effect on Bear Creek and its Clients. However, the existence of actual or potential conflicts of interest does not mean that it will be acted upon to the detriment of Bear Creek's clients. When a conflict arises, Bear Creek and its affiliates will endeavor to ensure the conflict is resolved fairly and in an equitable manner that is consistent with the fiduciary duties to Bear Creek. Bear Creek has established policies and procedures designed to identify and resolve actual and potential conflicts of interest.

Cybersecurity Risks - Cybersecurity is the practice of defending computers, servers, mobile devices, electronic systems, networks, and data from malicious attacks and to protect our client's information. Bear Creek, as well as certain service providers that Bear Creek or its clients may use, rely on digital and network technologies to maintain our data and to facilitate Bear Creek's business activities including providing services to our clients. Bear Creek is subject to possible cybersecurity incidents or related events that could result in unauthorized access or damage to data, both client and proprietary, or otherwise compromise Bear Creek's business or client records. Such incidents might include, but are not limited to, unauthorized access to systems, networks or devices; infection from computer viruses or other malicious software code; misappropriation or destruction of data; ransomware; attacks that shut down, disable, slow or otherwise

disrupt operations, business processes, or functionality; and the unintended disclosure of confidential computerized data or client information from hackers who attempt to conduct malicious activities against Bear Creek.

Cybersecurity breaches cause disruptions and impact business operations, potentially resulting in financial losses to a client; disruptions in trading; our inability, or our service providers inability, to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or other compliance costs; as well as the unintentional release of confidential information.

Bear Creek has implemented robust policies and procedures to prevent potential cybersecurity incidents against our network and other electronic systems and to protect firm and client data. Bear Creek's policies and procedures are designed to identify, protect, detect, respond and recover from a cybersecurity incident or related event. Bear Creek maintains information technology security policies and procedures, including, but not limited to, technical and physical safeguards, and required employee training.

Despite the policies and procedures implemented by Bear Creek, the risk remains that a cybersecurity incident could occur and could cause damage to Bear Creek's electronic systems, cause damage to firm and client data, and a significant business disruption. Clients could be negatively impacted as a result of a cybersecurity breach. Cybersecurity threats continue to evolve, and new cybersecurity attacks emerge each day and there can be no guarantee that our policies and procedures will prevent a cybersecurity breach or misuse or loss of firm or client information.

In the event that a cybersecurity incident occurred and resulted in a potential or actual compromise of confidential client data or personally identifiable information, Bear Creek, through its incident response plan, would promptly notify affected clients via telephone, e-mail, or other appropriate means of communication to explain the nature of the incident, the impact to the client and the client's personal information, Bear Creek's response and the steps to be taken going forward.

Bear Creek has developed an Identity Theft Prevention Program (the "ITPP"), which is designed to detect, prevent, and mitigate identity theft in connection with opening of covered accounts or any existing account. The ITPP is intended to fulfill both the letter and the spirit of the Identity Theft Red Flags Rule (the "Red Flag Rule") as outlined pursuant to Sections 114 and 315 of the Fair and Accurate Credit Transactions Act ("FACT Act"). The Red Flag Rule, which was adopted under these regulations, requires the development, implementation, and maintenance of an ITPP by any covered company that holds client accounts. The four general elements that the ITPP must contain are reasonable policies and procedures to:

- Identify and incorporate Red Flags to covered accounts
- Detect Red Flags within business activities
- Respond to those Red Flags appropriately
- Update the ITPP to periodically reflect changes in risks associated with identity theft

Bear Creek's investment strategies and the Fund Clients will be affected by many factors. The following is a list of certain material risks and limitations of investing in the Fund Clients, in addition to the material risks noted above. Please note the following list is not exhaustive and other potential risks exist when

investing in a Fund Client. Additional risk factors are included in the applicable Offering Documents for each Fund Client provided to investors and qualified potential investors. The following summary of material risks is qualified by the respective Fund Client's Offering Documents.

Long-Term Investments – Investment in a Fund Client requires a long-term commitment with no certainty of return. Many of the investments of the Fund Client will be highly illiquid, and there can be no assurance that the Fund Client will be able to realize gains or income on such investments in a timely manner. Although investments by the Fund Client may occasionally generate some current income, the return of capital and the realization of gains, if any, will generally occur only upon the partial or complete disposition of any investment. Prior to such time, there may not be any current return on investment.

Investment Interests in Fund Clients are an Illiquid Investment; The Interests Contain Restrictions on Transferability - There is no trading market for the Interests, and no such trading market is foreseen. In addition to certain other restrictions on transfer set forth in the Fund Client's Offering Documents, the Fund Client's Offering Documents will prohibit any investor or member from assigning or transferring its Interests without first obtaining the Manager's consent, which may be withheld in the Manager's sole discretion. For these reasons, investment in the Fund Client is only suitable for prospective investors seeking a long-term investment. Fund Clients will generally not be able to sell the securities or other portfolio investments publicly unless their sale is registered under applicable securities laws, or unless an exemption from such registration requirements is available. In addition, in some cases, a Fund Client may be prohibited by contract or regulatory reasons from selling certain securities or other assets for a period of time. To the extent that there is no liquid trading market for an investment, the Fund Client may be unable to liquidate that investment or may be unable to do so at a profit. Moreover, there can be no assurances that private purchasers for the Fund Client's investments will be found.

Interests not Registered – The Fund Clients and their interests have not been and are not expected to be registered under the laws of any jurisdiction (including the Securities Act, the Investment Company Act, the laws of any state of the United States, or the laws of any non-U.S. jurisdiction). Investment in a Fund Client has not been recommended by any U.S. federal or state, or any non-U.S., securities commission or regulatory authority. Furthermore, the aforementioned authorities have not confirmed the accuracy or determined the adequacy of the Offering Documents or disclosures made by the Adviser or the Fund Clients.

Loss of Investment Company Act Exemption for Fund Clients – The Company believes the Fund Clients will not be and intends to conduct its operations so as not to become, regulated as an investment company under the Investment Company Act. The Fund Clients could, among other things, be required either (a) to change the manner in which it conducts its operations to avoid being required to register as an investment partnership or (b) to register as an investment company, either of which could have an adverse effect on the Fund Clients. The Investment Company Act provides certain protections to investors and imposes certain restrictions on registered investment companies, none of which are currently applicable to the Fund Clients.

Capital Structure Risk – A Fund Client may invest in secured debt issued by issuers that have or may incur additional debt that is senior to the secured debt owned by the Fund Client. In many instances, loans made by a Fund Client may be part of a unitranche structure in which a single lien on behalf of all the lenders in the structure will be filed against the assets of the company if the lenders holding the different tranches of debt (including the Fund Client) will contractually agree to their respective priorities in those assets. In the

event of insolvency, liquidation, dissolution, reorganization or bankruptcy of any such company, the owners of senior secured debt (i.e., the owners of first priority liens), including in a unitranche structure through the contractual agreements between the lenders, generally will be entitled to receive proceeds from any realization of the secured collateral until they have been reimbursed. At such time, the owners of junior secured debt will be entitled to receive proceeds from the realization of the collateral securing such debt. There can be no assurances that the proceeds, if any, from the sale of such collateral would be sufficient to satisfy the loan obligations secured by subordinate debt instruments. To the extent that a Fund Client owns secured debt that is junior to other secured debt, the Fund Client may lose the value of its entire investment in such secured debt.

Insufficient Collateral – A Fund Client’s investments may be detrimentally affected to the extent that there is insufficient collateral. There can be no assurance that the value assigned by a Fund Client to collateral underlying a loan held by the Fund Client will be realized upon liquidation, nor can there be any assurance that collateral will retain its value. In addition, certain loans may be supported, in whole or in part, by guarantees made by a corporation or other person or entity affiliated with the borrower. The amount realizable with respect to a loan may be detrimentally affected if a guarantor fails to meet its obligations under the guarantee. Moreover, the value of collateral supporting such debt instruments may fluctuate. Finally, there may be a monetary, as well as a time, cost involved in collecting on defaulted debt instruments and, if applicable, taking possession of and subsequently liquidating various types of collateral.

Borrower Fraud - There is the possibility of material misrepresentation or omission on the part of a borrower. Such inaccuracy or incompleteness may adversely affect the valuation of the collateral underlying a loan or may adversely affect the ability of a Fund Client to perfect or effectuate a lien on the collateral securing the loan. Bear Creek will rely upon the accuracy and completeness of representations made by borrowers to the extent reasonable when it makes investments but cannot guarantee accuracy or completeness.

Distressed Debt/Asset Risk – Investments in distressed debt and/or distressed assets are subject to various risks. The distressed debt and/or distressed assets will likely be experiencing financial and operational difficulties. Such investments are typically illiquid and may be considered speculative. Distressed securities generally are securities of issuers that have either defaulted or appear to be at a heightened risk of doing so. The assets underlying such securities will typically have significant risks as a result of business, economic or legal uncertainties. Although investments in distressed securities may result in significant returns, such investments are subject to greater risks with respect to the issuing entity and to greater market fluctuations than certain higher rated securities and also may not show any return for a considerable amount of time. The ability for Bear Creek and its affiliates to manage and rehabilitate the debt and/or assets could be adversely affected by, but not limited to, interest rates, general economic conditions, factors impacting a particular industry, and legal risks. There is no guarantee that Bear Creek and its affiliates will correctly evaluate the various factors that could affect the value of, and return on, such debt and/or assets.

Loan Origination – In making loans, the Fund Clients will compete with a broad spectrum of lenders, some of which may have greater financial resources than the Fund Clients, and some of which may be willing to lend money on better terms (from a borrower’s standpoint) than the Fund Clients. Increased competition for qualifying loans may result in lower yields on such loans, which could reduce returns to the Fund Clients. There is no assurance that Bear Creek or its affiliates will correctly evaluate the value of the assets

collateralizing these loans or the prospects for successful repayment or a successful reorganization or similar action. In addition, loan origination involves a number of particular risks that may not exist in the case of secondary debt purchases, including, but not limited to:

- When originating loans, the Adviser will generally have to rely more on its own resources to conduct due diligence of the borrower, which will likely be more limited than the diligence conducted for a broadly syndicated transaction involving an underwriter; and
- The borrowers may in some circumstances be of higher credit risk who could not obtain debt financing in the syndicated markets.

General Real Estate Investment Risks – There are general risks inherent in investments in real property, as well as the more specific risks associated with its specific investment strategies. Such general risks include, without limitation, changes in global, national, regional or local economic, demographic or real estate market conditions, changes in supply of or demand for similar properties in an area, increased competition for real property investments targeted by the Fund Client's investment strategy, bankruptcies, financial difficulties or lease defaults by property residents, changes in interest rates and availability of financing, changes in the terms of available financing, including more conservative loan-to-value requirements and shorter debt maturities, competition from other residential properties, the inability or unwillingness of residents to pay rent increases, changes in government rules, regulations and fiscal policies, including changes in tax, real estate, environmental and zoning laws, the severe curtailment of liquidity for certain real estate related assets and rent restrictions due to government program requirements.

The general economic risks to which such real estate investments are subject include economic slowdowns or recessions, which could lead to financial losses in such investments. An economic slowdown or recession, in addition to other non-economic factors such as an excess supply of properties, could have a material negative impact on the values of the properties in which the Fund Client invests. Any sustained period of increased payment delinquencies, foreclosures or losses could significantly harm the value of the Fund Client's investments. Any adverse economic or real estate developments in the markets in which the Fund Client's investment properties are located, such as business layoffs or downsizing, industry slowdowns, relocations of businesses, changing demographics and other factors, or any decrease in demand for property space resulting from the local business climate, could adversely affect the Fund Client's investments. Further, terrorist attacks or armed conflicts may directly adversely impact the property underlying the Fund Client's investments, or indirectly cause consumer confidence and spending to decrease or result in increased volatility in the United States and worldwide financial markets and economies, all of which could have an adverse impact on the value of the Fund Client's investments.

Real estate investments generally cannot be sold quickly, and we may not be able to vary our portfolio of real estate investments promptly in response to changes in the real estate market. A downturn in the real estate market could materially and adversely affect the value of our real estate investments and our ability to sell such properties for acceptable prices or on other acceptable terms. We also cannot predict the length of time needed to find a willing purchaser and to close the sale of a property or portfolio of properties. These factors and any others that would impede our ability to respond to adverse changes in the performance of our properties could materially and adversely affect our business, financial position or results of operations.

The Fund Clients are subject to the risk that insurance will not cover all losses on the properties that underlie

the Fund Client's investments. The Company may invest in properties that have comprehensive insurance, including liability, fire and extended coverage. However, there are certain types of losses, generally of a catastrophic nature, such as earthquakes, floods and hurricanes that may be uninsurable or not economically insurable. Further, even if insurance is available a property in which the Fund Client invests may incur a casualty loss that is not fully covered by insurance. Inflation, changes in building codes and ordinances, environmental considerations, and other factors also might make it infeasible to use insurance proceeds to replace a property if it is damaged or destroyed. Under such circumstances, the insurance proceeds, if any, might not be adequate to restore the economic value of the property, which will have an adverse impact on the value of the Fund Client's investment.

All real property investments and the operations conducted in connection with such investments are subject to federal, state and local laws and regulations relating to environmental protection and human health and safety. Some of these laws and regulations may impose joint and several liability on customers, owners or operators (including the Fund Client) for the costs to investigate or remediate contaminated properties, regardless of fault or whether the acts causing the contamination were legal. Under various federal, state and local environmental laws, a current or previous owner or operator of real property may be liable for the cost of removing or remediating hazardous or toxic substances on such real property. These environmental laws often impose liability whether or not the owner or operator knew of, or was responsible for, the presence of such hazardous or toxic substances. In addition, the presence of hazardous substances, or the failure to properly remediate these substances, may adversely affect the Fund Client's ability to sell, rent or pledge such real property as collateral for future borrowings. Environmental laws also may impose restrictions on the manner in which real property may be used or businesses may be operated. Some of these laws and regulations have been amended so as to require compliance with new or more stringent standards as of future dates. The cost of defending against environmental claims, any damages or fines the Fund Client must pay, compliance with environmental regulatory requirements or remediating any contaminated real property could materially and adversely affect the Fund Client, lower the value of the Fund Client's investments.

Affordable Housing - Investments in affordable housing projects, including multifamily and workforce housing properties, are subject to the risk that residents of such properties fail to make rent or lease payments. The underlying value of the multifamily properties held by the Fund Client depends upon the ability of the residents of such properties to generate enough income to pay their rents in a timely manner, and the success of such investments depends upon the occupancy levels, rental income and operating expenses of such properties. Certain multifamily properties in which the Fund Client invests may have some level of vacancy at the time of the Fund Client's acquisition of the property and it may be difficult to obtain new residents. If vacancies continue for a long period of time, the Fund Client may suffer reduced returns on its investment. The Fund Client is subject to the risk that it may be required to make unexpected additional substantial investments in a property and/or obtain additional financing. Certain of the multifamily or workforce housing properties in which the Fund Client invests will include certain amenities for the residents that could increase the potential liabilities at the properties, including swimming pools, exercise rooms, playgrounds, laundry facilities, business centers and/or rentable club houses. Certain claims could arise in the event that a personal injury, death, or injury to property should occur in, on, or around any of these improvements. These and other risks beyond the Fund Client's control may adversely affect the Fund Client and lower the value of the Fund Client's investments.

Charter Schools – Investments by Fund Clients in bonds issued by charter schools (“Charter School Investment”) are subject to various risks. The estimated return of a Charter School Investment is based on sufficient demand for charter schools, adequate revenues from enrollment at the facilities and control of expenses. Further, charter schools typically receive funds through education capital outlays on a per student basis. There is a risk charter schools are not able to enroll the necessary students to make the principal and interest payments on the Charter School Investment. There are a number of factors affecting charter schools in general, including the Charter School Investments, that could have an adverse effect on a school’s financial position and its ability to make payments on the Charter School Investments. These factors include, but are not limited to, the ability to attract a sufficient number of students; increasing costs of compliance with federal or state (or any political subdivision thereof) laws or regulations, including, without limitation, laws or regulations concerning environmental quality, work safety, and accommodating persons with disabilities; any unionization of a school’s workforce; changes in existing statutes regarding the powers of charter schools or their funding; safety and campus security; and revocation or non-renewal of its Charter. We cannot assess or predict the ultimate effects of these factors on the respective Charter School Investments’ operations or financial results. These and other risks beyond the Fund Client’s control may adversely affect the Fund Client and lower the value of the Fund Client’s investments.

Senior Care Assisted Living Communities - Investments by the Fund Clients in senior care assisted living communities (including continuing care retirement communities and facilities with one or more of independent living facilities, assisted living facilities, memory care facilities and skilled nursing facilities) are subject to various risks.

The operating success of assisted living communities is primarily driven by occupancy of those communities, Medicare and Medicaid reimbursement and private pay rates. Revenues from government reimbursement have been, and may continue to be, subject to rate cuts and further pressure from federal and state budgetary cuts and constraints. Expenses of these communities are driven by the costs of labor, food, utilities, taxes, insurance and rent or debt service. To the extent any decrease in revenues and/or any increase in operating expenses results in lower profits for these communities, the Fund Client’s investment in such communities could be materially adversely affected.

Assisted living communities are subject to extensive and frequently changing federal, state and local laws and regulations that could adversely impact the profitability of the communities and the value of the properties. The extensive and complex federal, state and local laws and regulations affecting the healthcare industry include those relating to, among other things, licensure, conduct of operations, ownership of facilities, addition of facilities and equipment, allowable costs, services, prices for services, qualified beneficiaries, quality of care, patient rights, fraudulent or abusive behavior and financial and other arrangements that may be entered into by healthcare providers.

If assisted living communities fail to comply with the extensive laws, regulations and other requirements applicable to their businesses and the operation of the property, they could become ineligible to receive reimbursement from governmental and private third-party payor programs, face bans on admissions of new patients or residents, suffer civil or criminal penalties or be required to make significant changes to their operations. Failure of such a community to comply with federal, state and local licensure, certification and inspection laws and regulations could result in loss or restriction of license, loss of accreditation, denial of reimbursement, imposition of fines, suspension or decertification from federal and state healthcare

programs, or closure of the facility.

We are unable to predict future federal, state and local regulations and legislation, including the Medicare and Medicaid statutes and regulations, or the intensity of enforcement efforts with respect to such regulations and legislation, and any changes in the regulatory framework could have a material adverse effect on the assisted living communities, which, in turn, could have a material adverse effect on the Fund Client's investment.

Leverage Risk – Fund Clients may use leverage in connection with the management of its portfolio investments and investments of a Fund Client will also be in projects or entities that have a levered capital structure, including the Fund Client's investment. Use of leverage is a speculative investment technique and involves certain risks to investors in Fund Clients. The use of leverage creates an opportunity for increased income and gains to investors but also increases the risk of loss of capital. To the extent that any investment is made in a project, entity, or other vehicle with a leveraged capital structure, such investment will be subject to increased exposure to adverse economic factors such as a significant rise in interest rates, a severe downturn in the economy, or deterioration in the condition of such portfolio investment or its industry. In the event that such a project, entity, or vehicle is unable to generate sufficient cash flow to meet principal and interest payments on its indebtedness, including a Fund Client's investment, the value of the Fund Client's investment in such portfolio investment could be significantly reduced or even eliminated.

Limited Partners or Members Not to Participate in the Management of the Fund Clients - Passive investors (including limited partners) in a Fund Client will not have the right to participate in the management of the Fund Client or in decisions made by the Adviser, Fund Client's general partner, or their affiliates. As a result, passive investors will have almost no control over the investments in a particular Fund Client or the results of such investments.

Additional Capital - Certain of a Fund Client's portfolio investments may be expected to require additional financing to satisfy their working capital requirements or restructuring strategies. The amount of such additional financing needed will depend upon the maturity and objectives of the particular portfolio investment. If the funds provided are not sufficient, an entity may have to raise additional capital at a price unfavorable to the existing investors, including a Fund Client. The availability of capital is generally a function of capital market conditions that are beyond the control of the Fund Client or any portfolio investment. The access to capital could be impaired by many factors, including market forces or regulatory changes. There can be no assurance that the portfolio investments will be able to predict accurately the future capital requirements necessary for success or that additional funds will be available from any source.

Control Investments – Where a Fund Client controls an investment, there are additional risks such as environmental damage, product defect, violation of government and other regulations and the failures of management. When disposing of investments in which the Fund Client controls the investment, the Adviser may be required to make certain representations and warranties about the business. A Fund Client also may be required to indemnify the purchasers of such investment that any representations and warranties made by the Fund Client are incorrect, inaccurate or misleading.

Forward-Looking Statements; Opinions – Statements contained in the Fund Clients' offering documents that are not historical facts are based on current expectations, estimates, projections, opinions and/or beliefs of Bear Creek and its affiliates. Such statements involve unknown risks, uncertainties and other factors,

and undue reliance should not be placed thereon. Certain information contained in such offering documents constitutes forward-looking statements, which can be identified by the use of forward-looking terminology such as “can,” “will,” “would,” “seek,” “should,” “expect,” “anticipate,” “project,” “estimate,” “continue,” “target,” or “believe,” or the negatives thereof or other variations thereon. Due to various risks and uncertainties, including those set forth herein, actual events or results, market conditions, investment opportunities or the actual performance of the client or its investments may differ materially from those reflected or contemplated in such forward-looking statements.

Financial Model Risk – Certain of the Fund Client’s investments and investment strategies require the use of quantitative and qualitative valuation models developed by Bear Creek and third parties. The Fund Client’s model risk extends to the valuation of its investments, which may be made on the basis of internal models in the absence of any readily determinable market value. The valuations so determined may differ materially from realized values. The use of a model that is not viable or not completely viable could, at any time, have a material adverse effect on the performance of the Fund Client. In connection with executing the Fund Client’s investment strategy, we expect to obtain financial information that is made available by the issuers, servicers, third-party modeling firms and trustees of securities in which the Fund Client will invest. There is no guarantee such information is reliable. Bear Creek typically does not independently verify the financial information disseminated by issuers in which the Fund Client may invest and is dependent upon the integrity of both the management of these issuers and the financial reporting process in general. Corporate or government mismanagement, fraud and accounting irregularities relating to the issuers of investments held by the Fund Client may result in material losses.

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to an SMA Client’s, a Fund Client’s investors’ or prospective Fund Client’s investors’ evaluation of the Adviser’s advisory business or the integrity of its management.

Item 10: Other Financial Industry Activities and Affiliations

Bear Creek is affiliated with an SEC-registered broker-dealer, Bear Creek Securities, LLC (“BC Securities”), as both Bear Creek and BC Securities are majority owned by BC Holding. Refer to <https://brokercheck.finra.org/firm/summary/139941> for more information on BC Securities. Further, several of the supervised persons of Bear Creek serve as registered representatives of BC Securities. Bear Creek may use the services of BC Securities in connection with activities for an SMA Client or a Fund Client. In such instances, BC Securities may act as a broker in the purchase or sale of securities on behalf of an SMA Client or a Fund Client or BC Securities could act as a placement agent or remarketing agent for the Fund Client, among other roles/services. BC Securities usually earns a fee (a markup, commission or commitment/placement fee) for such services. Conflicts of interest exist for Bear Creek in selecting BC Securities for such services because Bear Creek’s affiliate will earn fees in connection with such services, which will create greater revenue for the broader Bear Creek organization.

Bear Creek clients have the option to direct the purchase of investment products that Bear Creek recommends through other brokers or agents that are not affiliated with Bear Creek.

Neither Bear Creek, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

Bear Creek is also affiliated with the general partner/managing member for each Fund Client. The general partners/managing members of the Fund Clients include:

- BCGP-2012, LLC;
- Bear Creek Management, LLC;
- Bear Creek Resources Management, LLC;
- BCGP-2016, LLC; and
- BCGP-2019 (PTA-E), LLC

These general partner/managing member entities will generally receive the performance-based compensation described in Item 5 (Fees and Compensation) of this Brochure. Conflicts of interest exist as the general partners/managing members of the Fund Clients are affiliated entities of Bear Creek and Bear Creek serves as the sole and primary adviser to the Fund Clients. The relationship between Bear Creek and the Fund Clients, including fees received by Bear Creek and its affiliates, are fully disclosed in the Fund Client's respective Offering Documents. For a description of the material conflicts of interest created by the relationship among Bear Creek and the general partners/managing members see Item 6 (Performance-based Fees and Side-by-Side Management and the respective Offering Documents).

In addition, Bear Creek's employees are able to invest, from time to time, in a Fund Client and/or in the same securities in which a Fund Client invests, which give rise to certain conflicts of interest. For a description of the material conflicts of interest created by the Adviser's employees' investments in the Fund Clients or in securities in which the Fund Client invest, see Item 11 (Code of Ethics, Participation in Client Transactions and Personal Trading).

Bear Creek does not recommend or select other investment advisers for its SMA Clients or Fund Clients.

Bear Creek PF, LLC ("PF") and other affiliates of Bear Creek provide short-term financing to the Fund Clients in the form of no interest loans (the "PF Loans"). The PF Loans are provided by PF and Bear Creek affiliates to pay organizational, custody, accounting, tax preparation and other expenses incurred by the Fund Client. The expenses to be paid by each Fund Client are disclosed in the Fund Client's Offering Documents. The PF Loans are reimbursed to PF from the respective Fund Client's cash flow. This arrangement presents a conflict of interest as the short-term financing can be provided by other sources and could provide financial benefit to certain employees and officers of Bear Creek. To mitigate the conflict of interest around short-term financing, PF and the other Bear Creek affiliates do not charge interest or other fees in providing the short-term financing to the Fund Client and all arrangements are disclosed to the Fund Client investors. The relationship and purpose of PF and the other Bear Creek affiliates is disclosed herein and in the Fund Client's Offering Documents.

Bear Creek and its employees receive some economic benefit by providers of brokerage and related services in the form of a reduction in the cost of clearing transactions, additional allocations, and trading profits resulting therefrom, of securities and a reduction in the cost of custodial services. This creates a conflict of interest as Bear Creek, its clients and its employees receive an economic benefit from directing trading to certain brokers. Please note this arrangement benefits Bear Creek's employees and Bear Creek's clients as the volume and the dollars of trading Bear Creek engages in can provide advantageous pricing and priority selection on security purchases from certain brokers. In addition, this arrangement benefits Bear Creek's employees and Bear Creek's clients as Bear Creek can receive preferential allocations of securities from brokers. Bear Creek employees will not participate to the extent that any such preferential allocations are suitable investments for client accounts, as our clients will receive the allocation to the extent the investment is suitable for the particular client.

Bear Creek has written procedures addressing the allocation of investment opportunities and the execution of client trades that are designed and implemented to ensure that all clients are treated fairly and equally over time and that no client is systematically disadvantaged. Investment opportunities are allocated based on a number of factors including, but not limited to, suitability, amount of securities allocated compared to amount of securities requested, and cash available for investment. Such procedures are generally described herein in "Item 12: Brokerage Practices".

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

Bear Creek is committed to conducting business in accordance with the highest moral, legal, and ethical standards. Bear Creek has adopted a code of ethics ("Code of Ethics") which requires Bear Creek's supervised persons to comply with their legal obligations and fulfill the fiduciary duties owed by Bear Creek to its Clients. Annually, all Bear Creek supervised persons must confirm receiving the Code of Ethics, having reviewed it, and being familiar with its contents. All supervised persons must identify and disclose any actual or potential conflicts of interest and avoid activities that could reasonably lead to, or give the appearance of, a conflict of interest. Bear Creek requires that all dealings with, and on behalf of existing and prospective investors be handled with honesty, integrity, and high ethical standards, and that such dealings adhere to the letter and the spirit of applicable laws, regulations and contractual guidelines. When dealing with or on behalf of a Client, every supervised person must at all times, serve the best interest of such Client and not subordinate the client's interest to its own.

Bear Creek's Code of Ethics generally addresses the following:

- Standards of business conduct that Bear Creek requires of its supervised persons reflecting the Adviser's fiduciary obligations;
- Policies and procedures requiring the Bear Creek's supervised persons to comply with applicable federal, state and other applicable securities laws;
- Policies and procedures requiring supervised persons to provide Bear Creek with information as to reportable securities holdings and transactions, at a minimum, upon hiring, quarterly, and annually;

- Policies and procedures requiring pre-approval and disclosure of outside business activities, initial public offerings, and private securities transactions;
- Policies and procedures reasonably designed to prevent the misuse of material non-public information by Bear Creek or and person associated with Bear Creek;
- Policies and procedures to prohibit supervised persons from taking unfair personal advantage of opportunities belonging to the Clients;
- Policies and procedures reasonably designed to prevent the misuse of material non-public information by Bear Creek and its supervised persons;
- Policies and procedures requiring supervised persons to report any violations of Bear Creek's Code of Ethics promptly to the Chief Compliance Officer, the SEC, or other regulator;
- Provisions requiring Bear Creek to provide each of its supervised persons with a copy of Bear Creek's Code of Ethics and any amendments and requiring its supervised persons to provide the Adviser with a written acknowledgement of their receipt of the Code of Ethics.

In addition to the specific prohibitions contained in the Code of Ethics, supervised persons are subject to a general requirement not to engage in any act or practice that would defraud our Clients and investors. This general prohibition includes, but is not limited to, the following:

- Making any untrue statement of a material fact or employing any device, scheme or artifice to defraud a Client or investor;
- Omitting to state (or failing to provide any information necessary to properly clarify any statements made, in light of the circumstances) a material fact, thereby creating a materially misleading impression;
- Taking, delaying or omitting to take any action with respect to any research recommendation, report, rating, or investment or trading decision for a Client or investor in order to avoid economic injury to the supervised person or anyone other than our Clients or investors;
- Purchasing or selling a security on the basis of knowledge of a possible trade by or for a Client or investor with the intent of personally profiting from personal holdings in the same or related securities (“front-running” or “scalping”);
- Revealing to any other person (except in the normal course of a supervised person’s duties on behalf of a Client or investor) any information regarding securities transactions by any Client or investor or the consideration by any Client or investor of any such securities transactions; or
- Engaging in any act, practice or course of business that operates or would operate as a fraud or deceit on a Client or investor or engaging in any manipulative practice with respect to any Client or investor.

Personal securities transactions of supervised persons present actual and potential conflicts of interest. For instance, conflicts of interest arise between the Adviser, its supervised persons, and the Clients if a supervised persons trade in their personal accounts the same types of securities in which the Clients invest. For example, if a supervised person desires to purchase a security also held in a Client account but does not want to pay current market value for the security, the supervised person has an incentive to cause the Client to sell the security and drive down the market price of the security before making the personal investment. There is an incentive for similar manipulative behavior if the supervised person desires to sell a personal security holding, but causes a Client to buy the security first in an effort to drive up the price before the supervised person sells.

Bear Creek’s Code of Ethics addresses these and other conflicts of interest by prohibiting securities trades that would breach a fiduciary duty to a Client and requiring supervised persons to report their personal

securities holdings and transactions to Bear Creek for review by Bear Creek's Chief Compliance Officer. Bear Creek maintains a list of restricted securities, generally due to receipt of material non-public information or the potential make a trade that conflicts with a Client's interests. Supervised persons are required to obtain written approval from the CCO prior to trading in securities on the restricted list.

A copy of the Code of Ethics is available to current and prospective Clients and investors in a Fund Client. Clients and investors can request a copy by e-mailing David Silver at dsilver@bearcreekam.com or by calling Bear Creek at 303-459-7333.

Generally, Bear Creek's policy is not to engage in cross trades (i.e., causing one Client to buy or sell securities from or to another Client). However, if a portfolio manager believes that Bear Creek should move a particular securities position in whole or in part from one Client account to another Client account, it is the Adviser's policy that the portfolio manager must bring the potential cross trade to the attention of the other members of the Adviser's senior management team and the Chief Compliance Officer and obtain approval for the trade. Bear Creek will only engage in cross transactions when the transaction is permitted under applicable law and consistent with the investment objectives and policies of both Clients involved in the transaction. Bear Creek will seek to affect all cross transactions in an equitable and fair manner for all Clients involved.

From time to time, Bear Creek or related persons may buy or sell securities with Bear Creek's clients at the same time and same price as its clients and invest in the same securities that a related person recommends to clients as well as sell securities for other than investment reasons that are also held by its clients. This situation creates a conflicts of interest, because if Bear Creek did not maintain and enforce policies and procedures that are designed to mitigate these conflicts of interest, Bear Creek or its employees could potentially benefit from (i) clients buying securities that Bear Creek or employees then sell because client purchases may increase the value of the security Bear Creek or the employee owns and then sells, or (ii) clients selling securities that Bear Creek or the related person then buys, because client sales may reduce the market price of a security Bear Creek or its employee then buys. In the cases of sales for other than investment reasons, Bear Creek or related persons owe a fiduciary duty to Bear Creek's clients and are obligated to obey all securities laws and regulations. We attempt to mitigate the conflict of interest to the best of our ability through the enactment of our code of ethics, trading policies, review of employee's personal trading, and our fiduciary responsibilities.

As noted in Item 6 (Performance-based Fees and Side-by-Side Management) and Item 10 (Other Financial Industry Activities and Affiliations), Bear Creek is affiliated with the Fund Clients' general partners/managing members, and the Adviser and such affiliates have an economic interest in the Fund Clients to the extent that they receive management fees and carried interest from the profits of the Fund Clients. Refer to Item 6 (Performance-based Fees and Side-by-Side Management) for a discussion of the conflicts of interest that arise from this economic interest.

Item 12: Brokerage Practices

Bear Creek has authority to determine the broker or dealer to be used for Client's securities transactions. The factors used in determining broker selection include, but are not limited to, execution capabilities, historical relationship or experience, financial strength, reputation, service, and other qualitative and quantitative factors. In seeking best execution, the determinative factor is not always the lowest possible cost, but whether the transaction represents the best qualitative execution, taking in consideration the full ranges of a broker-dealer's services including, but not limited to, execution capability, commission rates, responsiveness, and other qualitative factors. In some cases, the offering dealer is the only execution option for such transaction and therefore, the Adviser may determine that executing through that dealer is appropriate and that dealer is the best execution for such trade.

Bear Creek will sometimes use the services of BC Securities, an affiliated entity. Several of Bear Creek's supervised persons serve as registered representatives of BC Securities. BC Securities earns fees/markups per executed transaction based on the difference between:

- the price BC Securities buys a security from a client into their inventory and the price BC Securities sells the same security from their inventory to a third-party broker at a higher price; or
- the price BC Securities buys a security from a third-party broker into their inventory and the price BC Securities sells the same security from their inventory to a client at a higher price.

Bear Creek will disclose to the customer if BC Securities is used as a broker and Bear Creek does not charge an Advisory Fee on securities purchased by Bear Creek clients through BC Securities.

In instances where BC Securities acts as a placement agent for securities sold to a Fund Client, BC Securities may receive a placement fee based on the percentage of the total securities placed. This creates a conflict of interest. All fees earned by BC Securities as placement agent are disclosed to the investors in the Fund Client prior to execution.

Bear Creek does not receive client or investor referrals in exchange for selecting broker-dealers for Clients and, therefore, does not have incentive to select broker-dealers based on such referrals.

Bear Creek, its Clients, and its supervised persons receive some economic benefit from providers of brokerage and related services in the form of a reduction in the cost of clearing transactions and a reduction in the cost of custodial services.

In addition to paying Bear Creek's fees, custodians may charge additional fees to a Client such as custodial fees, transaction fees, service provider fees and other related costs and expenses, which are incurred by the client. If a Client maintain investments in mutual funds, the funds usually deduct advisory fees, expenses and distribution fees from the client's investment.

Bear Creek may aggregate multiple orders of the same security. This is commonly known as "block trading". This occurs when Bear Creek trades the same security for more than one Client. Typically, Bear Creek will decide to block trade when doing so will reduce the costs of the transaction for a Client or allows Bear Creek to purchase a larger amount of the securities for Clients. It is the Adviser's policy that each

Client participating in a block trade receives the same price per share, which is the average price per share, and pays a proportionate share of the transaction costs. Bear Creek does not receive any additional compensation in the event it aggregates Client transactions. Accounts owned by Bear Creek or Bear Creek related persons may participate in block trading with Client accounts; however, they will not be given preferential treatment.

Bear Creek does not receive research or other soft dollar benefits. To the extent the Adviser decides to enter into soft dollar transactions in the future, it intends to affect such transactions in compliance with the safe harbor provided by Section 28(e) of the United States Securities and Exchange Act of 1934, as amended.

Item 13: Review of Accounts

Bear Creek is responsible for making investments consistent with each Clients' investment objectives, investment policies, investment suitability, and restrictions set forth in the applicable suitability determination and applicable Fund Client Offering Documents. SMA Client and Fund Client investment portfolios are regularly reviewed and monitored by the principals of Bear Creek. Bear Creek regularly monitors the SMA Client's and Fund Client's entire portfolio to verify the portfolio is not overexposed to a particular sector, investment, and/or geographic region. Please note a Fund Client generally is invested in one security. SMA Client and Fund Client portfolios are reviewed quarterly at a minimum and are typically reviewed more frequently on an as needed basis. An SMA Client's and Fund Client's portfolio will be reviewed more frequently if factors such as financial needs, investment objective(s), or the economic environment change.

Bear Creek contacts each Client, no less than annually, to discuss the client's investment objectives. It is the Client's responsibility to notify Bear Creek immediately of any material change in their personal and/or financial situation, which would require immediate review/revision of the Client's investment objectives. The request to change the client's investment objectives must be delivered in writing to Bear Creek.

Clients are provided with transaction confirmations and account statements at least quarterly directly from their custodian. In addition, Bear Creek provides more comprehensive statements, including all transactional activity within the account, on a monthly basis through Bear Creek's secure file and transfer program. Clients should carefully review account statements received directly from the qualified custodian and Bear Creek urges you to compare the account statement you receive from your qualified custodian to the account statements provided by Bear Creek.

Individual reviews with Clients, including Fund Client investors, are held as determined necessary by the Client or investor or Bear Creek. Certain Clients or investors, including large Clients or investors may request and receive more in-depth information not provided to all Client or investors.

Item 14: *Client Referrals and Other Compensation*

Bear Creek does not receive any economic benefit for providing investment advice or other advisory services to our Clients from someone who is not a client.

Bear Creek pays referral fees to independent persons who are clients of Bear Creek (“Promoters”) for providing testimonials including:

- 1) directly soliciting current clients and/or prospective clients to be a client of, or an investor in a Fund Client; and/or
- 2) refers current or prospective clients to be a client of, or an investor in a Fund Client.

If Bear Creek establishes a Promoter relationship and compensates the Promoter for testimonials, Bear Creek will make the required disclosures, or have a reasonable belief that the required disclosures have been made by the Promoter, in accordance with Rule 206(4)-1 of the Advisers Act.

Bear Creek currently has one Promoter who provides testimonials to current or prospective clients that is documented in writing and fully disclosed to the clients affected.

From time to time, Bear Creek expects to engage a placement agent to assist in identifying and soliciting prospective investments in certain Fund Clients. Such Fund Clients pay placement fees as set forth in the applicable Fund Client’s Offering Documents. By virtue of receiving a placement fee, a placement agent has a conflict of interest because it is incentivized to recommend an investment in a Fund Client to receive additional placement fees. In addition, the Adviser has a conflict of interest in appointing a placement agent because the Advisor benefits from increased investments for the Fund Clients.

For further discussion regarding a Fund Client’s placement agent arrangements, including BC Securities acting as a placement agent, conflicts of interest arising from placement agent arrangements, and fees applicable to a particular Fund Client, please refer to Item 12 (Brokerage Practices) and the Fund Client’s Offering Documents.

Item 15: *Custody*

All client account assets are required to open their investment accounts with an independent qualified custodian (“Qualified Custodian”). Bear Creek generally recommends that SMA Clients establish their custodial accounts with Pershing.

Bear Creek does have custody of client assets with respect to the Fund Clients where a Bear Creek affiliate serves as general partner or managing member, certain standing letters of authorization (“SLOAs”), and to the extent clients may authorize the third-party qualified custodian (the “Qualified Custodian”) to debit Bear Creek’s Advisory Fees directly from clients’ accounts. For the accounts where the Advisory Fee is debited quarterly from the clients’ account, the client must provide written authorization permitting the respective Qualified Custodian to debit Bear Creek Advisory Fee from the client’s account.

The Qualified Custodian will provide the Client's account statements no less than quarterly. Clients should carefully review account statements received directly from the Qualified Custodian and Bear Creek urges its clients to compare the account statement received from your Qualified Custodian to the account statements received from Bear Creek.

We have determined that we have custody over client funds or securities held by Fund Clients disclosed on Section 7.B.(1) of Schedule D in Form ADV Part I *Private Fund Reporting*. The general partners and managing members of the Fund Clients and Bear Creek are affiliates as they are all 100% owned by BC Holding. Bear Creek and its affiliates have the ability to purchase and sell investments and move cash in and out of the Fund Client's custodial account. An investor in the Fund Client, will receive a quarterly account statement from the Qualified Custodian, unless the Fund Client is subject to an audit. Investors in the Fund Client should carefully review account statements received directly from the qualified custodian and Bear Creek urges the investor to compare the account statement received from your Qualified Custodian to the account statements received from Bear Creek. As we have custody of client funds or securities, Bear Creek will perform the following procedures on the Fund Clients which we determine Bear Creek has enhanced custody:

- 1) Engage a Qualified Custodian to maintain all funds and securities.
- 2) Notify all clients promptly when Bear Creek opens or closes an account with a Qualified Custodian on our client's behalf or in the name of the Fund Client.
- 3) Obtain a reasonable basis, after due inquiry, that the Qualified Custodian sends an account statement, at least quarterly, to each of the investors in the Fund Client; AND
- 4) Engage an independent public accountant to perform a surprise examination to verify the client funds and securities held by the Fund Client at least once during each calendar year; OR
- 5) Engage an independent public accountant to perform an annual audit of the Fund Client.

The SEC staff provided interpretive guidance addressing SLOAs between an investment adviser and its client that provides an adviser with the ability to withdraw client funds from the client's custody account to a designated third-party.

The SEC staff, in a formal interpretive letter issued on February 21, 2017, determined that an investment adviser would have custody of its client's assets if an SLOA between the adviser and the client grants the adviser limited power to disburse funds to one or more third parties as specifically designated by the client, even when the client itself instructs the custodian to accept the adviser's instruction on its behalf to move the money to the designee. As a result, Bear Creek will verify we have the following policies and procedures in place for all SLOAs (if any) where Bear Creek has been granted limited power to disburse funds to one or more third parties by our clients:

- 1) The client provides an instruction to the Qualified Custodian, in writing, that includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.

- 2) The client authorizes Bear Creek, in writing, either on the Qualified Custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
- 3) The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization and provides a transfer of funds notice to the client promptly after each transfer.
- 4) The client has the ability to terminate or change the instruction to the client's qualified custodian.
- 5) The Bear Creek has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction.
- 6) Bear Creek maintains records showing that the third party is not a related party of Bear Creek or located at the same address as the investment adviser.
- 7) The client's Qualified Custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

If Bear Creek is not able to meet all seven specific conditions listed above for any client SLOA directed to a third-party, the account will be included in Bear Creek's annual surprise examination performed by an independent public accountant.

Item 16: Investment Discretion

The client can determine to engage Bear Creek to provide investment advisory services on a discretionary basis by executing an IA Agreement with Bear Creek. The IA Agreement grants discretionary authority to Bear Creek to determine, without obtaining specific client consent for each transaction, the securities to be bought or sold, the amount of securities to be bought or sold, the broker or dealer to be used, and the commission rates paid. Before Bear Creek assumes discretionary authority over a client's account, the client will be required to execute Bear Creek's IA Agreement. Section III of the Bear Creek IA Agreement between Bear Creek and each client states: *The Client authorizes Bear Creek to purchase and sell any securities consistent with the Client's stated investment objectives and risk tolerance.* Schedule B – Full Discretionary Trading Authorization of the Bear Creek Investment Advisory Agreement between Bear Creek and the client states: *I/We, a client of Bear Creek Asset Management, LLC ("BCAM"), do hereby appoint BCAM my/our agent and attorney-in-fact with respect to this grant of full discretionary trading authority to purchase and sell any securities in my/our Account.* Prior to assuming discretionary authority to manage security accounts on behalf of Bear Creek clients, Bear Creek receives a signed and executed IA Agreement between Bear Creek and the respective client.

Bear Creek's authority to invest is limited by the client's investment policy. An SMA Client may change/amend their investment policy or limitations placed on Bear Creek at any time. All changes/amendments must be submitted to Bear Creek in writing.

SMA Clients may impose reasonable restrictions or limitations on investing in certain securities or types of securities. The SMA Client, may, at any time impose reasonable restrictions on Bear Creek's management of their accounts if Bear Creek determines, in its sole discretion, that the conditions would not materially

impact the performance of the investment management strategy or prove overly restrictive to Bear Creek's investment management efforts.

Bear Creek also will seek to comply with other reasonable guidelines and restrictions set by clients.

Item 17: Voting *Client* Securities

In general, Bear Creek will not vote customer proxies or outsource voting to a third-party proxy voting service. However, if a client chooses to have Bear Creek vote proxies, Bear Creek will do so in the client's best interest, without regard to Bear Creek's interests. We have adopted proxy policies and procedures with respect to securities owned by you for which we have specifically delegated voting authority and discretion, in accordance with our fiduciary duties and Rule 206(4)-6 under the Act, which are reasonably designed to ensure proxies are voted in the best interests of clients. Clients may contact Bear Creek for a complete copy of our proxy voting policies and procedures upon request.

Clients may contact Bear Creek in writing to direct how to vote proxies. Clients may obtain information on how their proxies were voted by making a written request to Bear Creek.

We recognize that there can be potential or actual conflicts of interest when we vote a proxy on behalf of our clients. Similarly, there is potential for a conflict of interest when deciding how to vote on a proposal sponsored or supported by a shareholder group that is a client. When considering a proxy proposal, Bear Creek employees must disclose to the Chief Compliance Officer any potential conflict (including personal relationships) of which they are aware and any substantive contact that they have had with any interested outside party (including the issuer or shareholder group sponsoring a proposal) regarding the proposal. If an employee who is voting the proxy has a conflict of interest, he or she must also remove himself from the decision-making process.

In cases where Bear Creek does not have authority to vote client securities, clients will receive their proxies or other solicitations directly from their custodian or Bear Creek will forward proxies or other solicitations to the client.

Clients may contact David Silver, our Chief Compliance Officer, at (303) 459-7342 or by e-mail at dsilver@bearcreekam.com with any questions.

Item 18: Financial Information

Bear Creek does not solicit pre-payment of more than \$1,200 in fees per Client, six months or more in advance.

Bear Creek has not been subject of a bankruptcy petition at any time during the past ten years.

Bear Creek does not have any financial condition that is likely to impair Bear Creek's ability to meet its contractual commitments to its Clients.