

**ITEM 1
COVER PAGE**

PART 2A OF FORM ADV: FIRM BROCHURE

Mission Value Partners, L.L.C.

1033 Demonbreun St, Suite 300
Nashville, TN 37203

March 20, 2024

This brochure provides information about the qualifications and business practices of Mission Value Partners, L.L.C. (“**Manager**,” “**we**,” “**us**,” or “**our**”). If you have any questions about the contents of this brochure, please contact us at 707-750-3337 or operations@missionvalue.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 us is also available on the SEC’s website at www.adviserinfo.sec.gov.

We are a registered investment adviser under the Investment Advisers Act of 1940, as amended (the “**Investment Advisers Act**”). Our registration under the Investment Advisers Act does not imply any level of skill or training.

ITEM 2

MATERIAL CHANGES

Our brochure may be requested, free of charge, by contacting our Chief Compliance Officer, Nicole Dunderdale, at 707-750-3337 or nicole@missionvalue.com.

Material Changes Since Last Form ADV Part 2A Filing

This brochure does not contain material changes from the last firm brochure dated March 24, 2023.

The Manager routinely makes updates throughout the brochure to improve and clarify the description of its business practices, risks, compliance policies and procedures, as well as to respond to evolving industry best practices.

**ITEM 3
TABLE OF CONTENTS**

Contents

ITEM 1 COVER PAGE.....	1
ITEM 2 MATERIAL CHANGES	2
ITEM 3 Table of Contents	3
ITEM 4 ADVISORY BUSINESS	6
A. General Description of Advisory Firm	6
B. Description of Advisory Services	6
C. Availability of Customized Services for Individual Clients	7
D. Wrap Fee Programs.....	8
E. Assets Under Management	8
ITEM 5 FEES AND COMPENSATION	8
A. Advisory and Other Services and Fees	8
B. Payment of Fees	8
C. Additional Expenses and Fees	8
D. Prepayment of Fees	9
E. Additional Compensation and Conflicts of Interest.....	9
ITEM 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT	9
ITEM 7 TYPES OF CLIENTS	10
ITEM 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS.....	10
A. Methods of Analysis and Investment Strategies	10
B. Risk of Loss	11
C. Recommendation of a Particular Type of Security	40
ITEM 9 DISCIPLINARY INFORMATION	40

ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	40
A. Broker-Dealer Registration	40
B. Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor Registration	40
C. Material Relationships and Conflicts of Interests with Industry Participants.....	40
D. Material Conflicts of Interest Relating to Other Investment Advisers	42
ITEM 11 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING.....	43
A. Code of Ethics	43
B. Recommending, Buying, or Selling Securities in which We or a Related Person Have a Material Financial Interest, Invest, or Buy or Sell at the Same Time; Conflict of Interests	43
ITEM 12 BROKERAGE PRACTICES.....	45
A. Selection of Broker-Dealers and Reasonableness of Compensation	45
B. Aggregating Orders for Various Client Accounts	47
ITEM 13 REVIEW OF ACCOUNTS.....	47
A. Periodic Review of Client Accounts.....	47
B. Additional Review of Client Accounts	48
C. Contents and Frequency of Account Reports to Clients	48
ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION.....	48
A. Economic Benefits for Providing Services to Clients.....	48
B. Compensation to Non-Supervised Persons for Client Referrals	48
ITEM 15 CUSTODY	48
ITEM 16 INVESTMENT DISCRETION	48
ITEM 17 VOTING CLIENT SECURITIES.....	49
ITEM 18 FINANCIAL INFORMATION	50
A. Balance Sheet.....	50

B.	Contractual Commitments to Our Clients.....	50
C.	Bankruptcy Petitions	50

ITEM 4

ADVISORY BUSINESS

A. General Description of Advisory Firm

We are a Delaware limited liability company organized on March 10, 2010.

We serve as the investment manager to Mission Value Japan Fund Offshore, Ltd., an exempted company organized under the laws of the Cayman Islands (the “**Japan Fund**,”) and general partner and investment manager of the Mission Value Global Fund, L.P. (the “**Global Fund**”) a Delaware limited partnership (together with the Japan Fund, the “**Mission Funds**”). We also serve as the investment manager to one managed account (the “**Managed Account**”). We refer to the Mission Funds and the Managed Account collectively as our “**Client Accounts**,” or more generally, with other potential clients, as our “**clients**.” We refer to the Japan Fund and managed accounts with a similar strategy as the “**Japan accounts**”, and to the Global Fund and managed accounts with a similar strategy as the “**Global accounts**”.

Andrew McDermott is our sole member and serves as the lead portfolio manager of the Client Accounts.

B. Description of Advisory Services

As an investment adviser, we are responsible for sourcing potential investments, conducting research and due diligence on potential investments, analyzing investment opportunities, structuring investments, and monitoring investments on behalf of our managed funds and accounts. We generate all of our advisory billings from investment advisory services. We do not specialize in a particular form of advisory service. We provide investment advice to our clients regarding a variety of types of investments, including global securities.

Mission Value Japan Fund Offshore, Ltd.

Mission Value Partners, L.L.C., a Delaware limited liability company (“Mission Value Partners” or the “Manager”), provides advisory services to the Japan Fund pursuant to an investment advisory agreement with the Japan Fund. Mission Value Partners is the investment adviser of separate investor accounts with a similar investment objective and strategy and sponsors other funds and manages other accounts with different objectives and strategies.

The investment objective of the Japan Fund is the long-term growth of capital. In pursuing this goal, we seek to create, with respect to the Mission Funds’ equity holdings, a portfolio that will typically include positions in Japan-related companies. We define a Japan-related company as one that (i) is organized under the laws of, or has its principal office in, Japan; (ii) derives 50% or more of its revenue from goods produced, services performed, or sales made in Japan; (iii) has 50% or more of its assets located in Japan; (iv) has, in our assessment, more than 50% of its intrinsic value in Japan; and/or (v) has shares that are traded on any securities market located in Japan.

We expect the majority of investments made by the Mission Funds to be in public equities, though the Mission Funds may also invest in convertible securities or corporate bonds that provide equity-like returns. The Mission Funds will not limit themselves to small capitalization issues; rather we will ensure that the Mission Funds remain flexible enough to invest in both large and small capitalization opportunities. The Mission Funds will not impose restrictions on investing in certain securities or types of securities. Mission Value Partners has discretion over the Mission Funds.

Mission Value Global Fund, L.P.

Mission Value Partners is the general partner and provides advisory services to the Global Fund pursuant to an investment advisory agreement with the Global Fund. In addition to the Global Fund, Mission Value Partners may in the future sponsor an offshore investment vehicle with an investment strategy that is substantially similar to that of the Global Fund. Mission Value Partners has been the investment adviser of separate investor accounts with a similar investment objective and strategy and sponsors other funds and manages other accounts with different objectives and strategies.

The Global Fund's investment objective is the long-term growth of capital. In pursuing this goal, the Manager intends to create, with respect to the Global Fund's equity holdings, a portfolio that will typically include, under normal market circumstances, between twelve and twenty positions comprising between twelve to forty different stocks or other securities in U.S. and non-U.S. publicly listed companies. The Global Fund does not intend to own more than 10% of the voting securities of any company in which it invests (measured at the time of investment). The Global Fund currently does not intend to invest in securities of companies located primarily in emerging markets countries, but may do so in the future without limit. Mission Value Partners has discretion over the Mission Value Global Fund.

Managed Accounts

In addition to our service to the Mission Funds, we provide advisory services to a Managed Account pursuant to an investment advisory agreement. The Managed Accounts generally have provided us with investment objectives and/or guidelines which specify the type of securities and/or a percentage of each type of securities in which we invest on behalf of each Managed Account. In general, following the investment guidelines, each Managed Account will have a portfolio of Japanese or global equity securities, although other types of investments, such as currency hedges are sometimes permitted. The Managed Account currently utilizes investment strategies that are similar to the investment strategy of the existing Client Accounts but may utilize investment strategies that are different from the existing Client Accounts in the future. The Managed Account is a discretionary account. Mission Value Partners does not have custody of Managed Account assets.

C. Availability of Customized Services for Individual Clients

We tailor our advisory services to the individual needs of each of our clients.

D. Wrap Fee Programs

We do not participate in a wrap fee program.

E. Assets Under Management

As of December 31, 2023, we had \$317 million in client assets under management on a discretionary basis and no client assets under management on a non-discretionary basis.

**ITEM 5
FEES AND COMPENSATION**

A. Advisory and Other Services and Fees

Written investment advisory agreements govern the terms of our compensation and the manner in which we charge fees to each of our clients. The fees we charge for our discretionary advisory services are negotiable depending on the circumstances of the client's account and the service levels we provide to the client. Our basic fee schedule is as follows:

With respect to the Mission Funds, in general, Mission Value Partners receives an annual management fee of between 1.15% and 1.50%, depending on a) the size of the capital accounts of the limited partners and b) total assets under management. The management fee is applied to (i) the net asset value of the capital accounts of the limited partners of the Global Fund and (ii) the net asset value of the Japan Fund. We are not currently entitled to receive an incentive or performance fee with respect to the Japan Fund or the Global Fund.

With respect to the Managed Accounts, in general, Mission Value Partners receives an annual management fee of between 1.15 and 1.50% of the net asset value of the assets managed by us, depending on a) the size of the Managed Account and b) total assets under management.

We have not in the past but may in the future also receive fees in connection with providing other services, such as non-discretionary advisory services, which could include advisory services for strategic or financial acquirers that relate to identifying potential acquisition targets for such acquirers. To date we have received no such fees.

B. Payment of Fees

Subject to the terms of their investment advisory agreement, clients can elect to be billed directly for fees or can authorize us to directly deduct fees from the client's account. We generally bill our fees, or directly deduct our fees from client accounts monthly or quarterly; under arrangements with certain clients, however, we would consider billing or deducting our fees on a basis other than monthly or quarterly.

C. Additional Expenses and Fees

Our fees are exclusive of brokerage commissions, custody fees, fund expenses including but not limited to administrative fees and professional fees, transaction fees, interest charges and other

related costs and expenses, which are incurred by our clients. Clients incur certain charges imposed by custodians, brokers, and other third parties, including fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. We do not have any formal soft dollar arrangements. These charges, fees, and commissions are exclusive of and in addition to our management fees and are not for services for which the management fee is charged. We shall not receive any portion of these commissions, fees, and costs and shall not receive a brokerage commission or other compensation attributable to the sale of a security or other investment product. The Mission Funds cap total operating expenses, including management fees, at between 1.75% and 1.50%. The cap level declines as assets under management increase.

D. Prepayment of Fees

The Advisor typically does not accept any payment in advance for services. Clients who wish to pay fees in advance will be considered if there is a valid business purpose for doing so.

E. Additional Compensation and Conflicts of Interest

We do not receive a brokerage commission or any other compensation attributable to the sale of securities or investment products and our personnel do not receive such compensation.

ITEM 6
PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

In some cases, we will enter into performance or incentive fee arrangements with eligible clients. The terms and conditions of such fees will be subject to individualized negotiations with each client. We will structure any performance or incentive fee arrangement in accordance with Section 205(a)(1) of the Investment Advisers Act and the rules and regulations promulgated thereunder, including the exemption set forth in Rule 205-3 permitting performance fee arrangements with “qualified clients.” Other than management and performance fees, we do not charge any clients another type of fee, such as an hourly or flat fee. For a more detailed discussion of our performance or incentive fees, please see Item 5, “Fees and Compensation,” above.

Performance based fee arrangements create an incentive for us to recommend investments that are riskier or more speculative than those that we would recommend under a different fee arrangement. In the allocation of investment opportunities, performance-based fee arrangements also create (i) an incentive for us to favor accounts with performance or incentive fee arrangements over accounts that are not charged, or from which we will not receive, a performance fee; and (ii) an incentive for us to favor accounts from which we will receive a greater performance fee over accounts from which we will receive a lesser performance fee. We have adopted Order Aggregation and Allocation Procedures (the “Allocation Procedures”) designed to ensure that all of our clients are treated fairly and equally and to prevent this form of conflict from influencing the allocation of investment opportunities among our clients. We will offer clients the right to participate in all investment opportunities that we determine are appropriate for the client in view of relative amounts of capital available for new investments,

the investment programs, and the portfolios of our clients. In accordance with our Allocation Procedures, we will endeavor to treat each of our clients in a fair and equitable manner.

In addition, certain of our clients have provided investment guidelines that prohibit us from making highly speculative investments or using leverage. These prohibitions limit the concern that we would recommend certain investments in order to enhance our performance fees.

ITEM 7 TYPES OF CLIENTS

We provide, or would consider providing, investment advisory services to a wide range of clients including individuals, partnerships, registered and unregistered investment companies, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

The minimum account size necessary to open and maintain an account with us varies by the type of client. For instance, we generally require our Managed Accounts to have and maintain a minimum value of \$50,000,000 of assets under our management per client relationship. This minimum is negotiable based on the client's circumstances and our investment strategies. In determining a minimum acceptable account size, we consider arrangements with other financial service providers to managed accounts and certain services provided by the custodian of the managed accounts including, but not limited to, automatic downloads of client data and client servicing support.

Investors in the Mission Funds must make a minimum initial investment of at least \$5 million and any additional investments must be in increments of \$1 million. From time-to-time initial investments less than \$5 million and additional investments less than \$1 million have been accepted, and these thresholds have in the past and may in the future be increased or decreased, (i) in the case of the Global Fund, in our sole discretion as the general partner and (ii) in the case of the Japan Fund, in the sole discretion of the board of directors. Investors in the Mission Funds must be (i) "qualified purchasers" or "knowledgeable employees" within the meaning of the Investment Company Act of 1940 (the "Investment Company Act") and (ii) "accredited investors" as defined in Rule 501(a) of Regulation D, promulgated pursuant to Section 4(2) of the Securities Act of 1933, as amended.

ITEM 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. Methods of Analysis and Investment Strategies

We choose investments based on a variety of fundamental valuation measures supported by qualitative research. Such research has in the past and may in the future include company visits, product testing, competitor research, and analysis of outside research such as brokerage or consulting reports. For a discussion of our use of brokerage reports and our other brokerage practices, please see Item 12, "Brokerage Practices," below.

We expect that the companies in which the Client Accounts invest will generally share the following characteristics:

- the business is understandable, competitively entrenched, and simple to appraise;
- the management team is trustworthy and competent;
- the price represents a significant discount to our estimate of intrinsic value; and
- the business is conservatively financed and capable of weathering severe macroeconomic headwinds.

In addition, we intend to favor companies that return significant capital to shareholders through dividends and share repurchases. We also intend to favor beneficiaries of industry consolidation, particularly where a generational transfer of management control coincides with the opportunity to raise industry margins via consolidation. In all cases, we intend to seek companies capable of compounding and consistently delivering returns in excess of equity hurdle rates. We intend to sell securities when, in our view, they are no longer under-valued in the market, when we believe the investment case unravels, or in order to take advantage of what we see as a more attractive investment opportunity. We believe this approach will require patience on our behalf and on behalf of the investors in the Client Accounts because unpopular investments generally require several years to reach fair value. We do not seek to match portfolio weightings to any particular benchmark.

References to the “Fund” refer to each of the Mission Funds unless otherwise noted.

B. Risk of Loss

Investing in securities involves risk of loss that our clients (and underlying investors) should be prepared to bear. There can be no assurance that the Client Account will achieve its investment objective. Our assessment of the prospects of investments have in the past and may in the future prove not to be accurate. No assurance can be given that any investment or trading strategy implemented by the Manager on behalf of a Client Account will be successful and, because of the speculative nature of the Client Accounts’ investment and trading strategies, investors may suffer a significant loss of their invested capital, including loss of the entire investment.

In addition, we believe that clients and their underlying investors should be aware of the risk factors delineated below. These risk factors are not a complete explanation of all the risks to clients and underlying investors investing with us. Investors should read this brochure, any investment advisory agreement, any organizational or offering documents, and the documents and materials referred to in this brochure before determining to invest with us.

Risk Factors

Specific Japanese Market Risk. The performance of certain Client Accounts, including the Japan accounts, will be significantly affected by political, social and economic conditions in Japan. The outlook for the Japanese economy remains highly uncertain. Since the year 2000, Japan’s economic growth rate has remained relatively low and its economy is characterized by

very low or negative interest rates, long deflation, little to no increase of wages, an aging and declining population and large government debt. In recent years, the Bank of Japan has implemented quantitative and qualitative monetary easing measures, with the goal of ending deflation, and the Japanese government has implemented measures designed to stimulate the economy. However, it is unclear whether these measures will succeed in ending deflation and stimulating economic growth. Economic policies or other events that negatively affect personal consumption, including the increase in the consumption tax rate from 8% to 10% in October 2019, could adversely impact consumer sentiment and worsen economic conditions in Japan. Client Accounts that invest in securities of Japanese issuers and other Japan-related companies may also be impacted by events and trends outside of Japan. The United States has historically been a large trading partner of Japan, but a significant portion of Japan's trade is conducted with Southeast Asia. In addition, China has been the largest trading partner of Japan since 2007 in terms of total exports and imports. Slowdowns in the U.S. and/or China and other Southeast Asian countries, including economic, political or social instability in such countries, could have a negative impact on Japan and, in turn, the Japan accounts and certain other Client Accounts. In addition, the Japanese economy could also be impacted by geopolitical instability in various parts of the world, including the ongoing tensions between the U.S. and China, international sanctions towards Russia due to the Ukraine conflict, the exit of the United Kingdom from the European Union, political demonstrations in Hong Kong or regional conflicts surrounding North Korea and in the Middle East or other parts of the world. Japan continues to recover from a recurring recession; however, it is still vulnerable to the persistent underlying systemic risks described above. These and other factors could have a negative impact on a Client Account's performance and increase the volatility of an investment in the Japan accounts and other Client Accounts that invest in Japanese markets.

Poor performance of the global economy could negatively affect equity returns in Japan. Japan's economy and stock market have in the recent past had a strong correlation with the U.S. economic cycle and U.S. stock markets, and thus Japan's economy has in the past and may in the future be affected by economic trouble in the United States. Additionally, Client Accounts will be impacted by risks that are more global, such as consumption patterns in the United States and European Union and the global prices of energy and raw materials.

On March 11, 2011, the Great East Japan Earthquake (the "Earthquake") and tsunami hit the Tohoku region of Japan, causing catastrophic losses of life and property particularly in the Tohoku region. These natural disasters have triggered supply shortages in some of Japan's key industries (i.e., power and energy, chemical production, electronics/electrical equipment, and automotives), affecting companies around the world. In addition, the Earthquake and tsunami caused massive damage and equipment failure at the nuclear power plants in Fukushima, which not only caused power supply constraints but also had a chilling effect on certain business activities, such as in the tourism and leisure sectors. The government and the people joined forces in an all-out effort to rebuild the social and economic infrastructure, facilitating a rapid recovery of the supply chains and helping the economy on a track to a recovery in many industries. However, the occurrence of a large-scale natural disaster similar to the Earthquake could adversely impact the performance of certain Client Accounts.

The Japanese economy continues to face certain challenges. The global outbreak of the COVID-19 pandemic has materially adversely affected the Japanese economy. For example,

following the global spread of the virus and the declaration of a “pandemic” by the World Health Organization, the Japanese government and International Olympic Committee ended up holding the Olympic and Paralympic games without spectators after the one-year postponement, which had a negative impact on the economic impact of the games. In addition, Japan implemented severe travel restrictions, which substantially decreased tourists to Japan. Continued restrictions could have a negative impact on business and consumer activities.

General Equity Risks. Clients will invest in equity securities. Our clients’ investments in equity securities have in the past and may in the future decline in value due to factors affecting the issuing companies, their industries, or the economy and equity markets generally. The values of equity securities have in the past and may in the future decline for a number of reasons which directly relate to the issuing company, such as management performance, financial leverage and reduced demand for the issuer’s goods or services. They have in the past and may in the future also decline due to factors that affect a particular industry or industries, such as decline in demand, labor or raw material shortages, increased production costs, regulation and competitive conditions within an industry. In addition, they have in the past and may in the future decline due to general market conditions that are not specifically related to a company or industry, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. Equity securities can be even more susceptible to such events than other types of investments a Client Account makes, given their subordinate position in the issuer’s capital structure. As such, equity securities generally have significant price volatility, and their market prices can decline in a rapid or unpredictable manner.

Certain issuers of equity securities are subject to different, often less comprehensive accounting, reporting and disclosure requirements, can be listed on less liquid and more volatile markets, and are subject to high brokerage commissions and other fees. Some non-U.S. companies have less established shareholder governance and disclosure standards than in the United States. There are also special tax considerations that apply to securities of certain issuers. The value of certain assets as measured in U.S. dollars have in the past and may in the future be affected by the changes in currency rates and exchange control regulations.

If a Client Account purchases equity investments at a discount from their value as determined by the Manager, the Client Account runs the risk that the market prices of these investments will not appreciate to that value or will decline for a variety of reasons, one of which may be the Manager’s overestimation of the value of those investments.

Currency Risk – Currency risk is the risk that fluctuations in exchange rates will adversely affect the market value of a Client Account’s investments and includes the risk that the non-U.S. currencies in which a Client Account’s investments are traded, in which a Client Account receives income, and/or in which a Client Account has taken a position, will decline in value relative to the U.S. dollar. In addition, if a Client Account were to engage in currency hedging transactions, currency risk would include the risk that the currency to which the Client Account has obtained exposure through hedging declines in value relative to the currency being hedged, in which event, our clients would realize a loss both on the hedging instrument and on the currency being hedged.

Among the factors that affect the currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments.

Some currency exchange costs will be incurred when a Client Account changes investments from one currency to another. Currency exchange rates have in the past and may in the future fluctuate significantly over short periods of time for a number of reasons, including changes in the supply and demand in the currency exchange markets, actual or perceived changes in interest rates, and intervention (or the failure to intervene) by governments, central banks or supranational agencies such as the International Monetary Fund, and currency or exchange controls or other political and economic developments. (See “Risk Factors – Market Disruptions, Terrorism, Health Crises, and Geopolitical Risk.”)

Officials in non-U.S. jurisdictions have in the past and may from time to time take actions with respect of their currencies that could significantly affect the market value of a Client Account’s assets denominated in those currencies or the liquidity of such investments.

Consistent with industry practice, some or all currency transactions will not be collateralized, which increases counterparty risk.

In addition, if a Client Account were to engage in currency hedging transactions, it is not always possible to hedge fully or perfectly against currency fluctuations affecting the market value of securities denominated in currencies other than the U.S. dollar, because the market value of such securities is also likely to fluctuate because of independent factors not related to currency fluctuations. If a forward global currency contract is used for hedging, an imperfect correlation between movements in the price of the forward global currency contract and the price of the currency or other investment being hedged creates risk.

The Japanese yen has slipped to more than two-decade lows against the U.S. dollar with a steep slide in 2022 and 2023. This is partly because the Bank of Japan is committing to maintain very low interest rates to revive inflation on a sustainable basis while surging prices in most of the rest of the world spur the U.S. Federal Reserve and other central banks to roll back stimulus and raise rates. If this trend continues, weaker yen could harm the economy, businesses and consumers of Japan. The Japanese yen can also be affected by currency volatility elsewhere. Depreciation of the Japanese yen, and any other currencies in which a Client Account’s investments or interests are denominated, will decrease such Client Account’s value.

Risks of Non-U.S. Investments. Investment in non-U.S. issuers or securities involves special risks due to non-U.S. economic, political and legal developments, including favorable or unfavorable changes in currency exchange rates, exchange control regulations (including suspension of the ability to transfer currency from a country); expropriation, nationalization or confiscatory taxation of assets; imposition of withholding or other taxes; adverse changes in investment capital; diplomatic developments; and difficulty in obtaining and enforcing judgments against non-U.S. entities. In the event of a nationalization, expropriation or other confiscation of assets, a Client Account could lose its entire investment in a security. Economic or other sanctions imposed on a non-U.S. country or issuer by the U.S., or on the U.S. by a non-U.S. country, could impair a Client Account’s ability to buy, sell, hold, receive, deliver, or

otherwise transact in certain securities. Sanctions could also affect the value and/or liquidity of a non-U.S. security.

Issuers of non-U.S. securities may not be subject to the same degree of regulation as U.S. issuers. Furthermore, issuers of non-U.S. securities are subject to different and often less comprehensive recordkeeping, accounting, auditing, custody, reporting and disclosure requirements than U.S. issuers. The securities of some non-U.S. governments and companies, as well as securities trading in non-U.S. markets, can be less liquid and at times more volatile than comparable U.S. government securities, securities of U.S. issuers, and securities traded in U.S. markets. There is often less government supervision and regulation of non-U.S. exchanges, brokers and issuers than there is in the United States, and there is often greater difficulty in taking appropriate legal action in non-U.S. courts. The Public Company Accounting Oversight Board, which regulates auditors of U.S. public companies, is unable to inspect audit work papers in certain non-U.S. countries. Investors in non-U.S. countries often have limited rights and few practical remedies to pursue shareholder claims, including class actions or fraud claims, and the ability of the SEC, the U.S. Department of Justice and other authorities to bring and enforce actions against non-U.S. issuers or non-U.S. persons is limited.

There are also special tax considerations that apply to securities of non-U.S. issuers and securities principally traded overseas or otherwise on the repatriation of proceeds generated from the sale of those securities. In addition, some jurisdictions limit a Client Account's ability to profit from short-term trading (as defined in the relevant jurisdiction).

Non-U.S. brokerage commissions, transfer taxes, custodial costs and other fees are also generally higher than in the United States. Non-U.S. markets also have different clearance and settlement procedures that in some markets have at times failed to keep pace with the volume of transactions, thereby creating substantial delays and settlement failures that could adversely affect a Client Account's performance. In some non-U.S. markets, custody arrangements for securities provide significantly fewer protections than custody arrangements for securities in U.S. markets, and prevailing custody and trade settlement practices (e.g., the requirement to pay for securities prior to receipt) expose a Client Account to credit and other risks it does not have in the U.S. with respect to participating brokers, custodians, clearing banks or other clearing agents, escrow agents and issuers.

The laws of some non-U.S. countries limit a Client Account's ability to invest in securities of certain issuers located in those countries. Non-U.S. countries have reporting requirements with respect to the ownership of securities, and those reporting requirements can be subject to interpretation or change without prior notice to investors.

Many non-U.S. markets require investors to maintain a license to invest directly in such markets, and there are risks associated with any license that a Client Account may seek to maintain. These licenses are often subject to restrictions, including maximum investment amounts. Once a license is obtained, a Client Account's ability to continue to invest directly is subject to the risk that the license will be terminated or suspended. If a license is terminated or suspended, to obtain exposure to the market, the Client Account will be required to purchase depository receipts, shares of other funds that are licensed to invest directly, or derivative instruments. The receipt of a non-U.S. license by one Client Account may preclude other Client

Accounts from obtaining a similar license, and this could limit a Client Account's investment opportunities. In addition, the activities of one Client Account could cause the suspension or revocation of a license and thereby limit another Client Account's investment opportunities.

In addition, the tax laws of some non-U.S. jurisdictions in which a Client Account may invest are unclear and interpretations of such laws can change over time, including on a retroactive basis. Similarly, provisions in the tax treaties of such non-U.S. jurisdictions may change over time, which changes could impact a Client Account's and/or its investors' eligibility for treaty benefits, if any. As a result, in order to comply with guidance related to the accounting and disclosure of uncertain tax positions under GAAP, a Client Account may be required to accrue for book purposes certain non-U.S. taxes, interest or penalties in respect of its non-U.S. securities or other non-U.S. investments that it may or may not ultimately pay. The amounts of such accruals will be determined by the Manager in its sole discretion. Such tax accruals will reduce a Client Account's net asset value at the time accrued, even though, in some cases, the Client Account ultimately will not pay the related tax liabilities. Conversely, a Client Account's net asset value will be increased by any tax accruals that are ultimately reversed.

Because non-U.S. securities often are purchased with and payable in currencies of non-U.S. countries, the market value of these assets as measured in U.S. dollars will be affected by the changes in currency rates and exchange control regulations. Some currency exchange costs will be incurred when a Client Account changes investments from one currency to another. Currency exchange rates have in the past and will at times in the future fluctuate significantly over short periods of time. (See "Risk Factors – Currency Risk.")

Emerging Markets Risk. We do not intend to have our clients invest in securities of companies located primarily in emerging markets countries, but may do so in the future without limit. The risks of non-U.S. investments described above apply to an even greater extent to investments in emerging markets.

The securities, derivatives and currency markets of emerging market countries are generally smaller, less developed, less liquid, and more volatile than the securities, derivatives and currency markets of the United States and other developed markets and disclosure and regulatory standards in many respects are less stringent. Emerging market countries tend to also have a lower level of monitoring and regulation of markets and of the activities of investors in such markets. Government enforcement of existing market regulations may be extremely limited, and any enforcement may be arbitrary and the results may be difficult to predict. In addition, reporting requirements of emerging market countries with respect to the ownership of securities are more likely to be subject to interpretation or changes without prior notice to investors than more developed countries.

Focused Investment Risk - Overall risk can be reduced by geographic or industry diversification, and increased by focusing investments in a limited number of countries, geographic regions, sectors, companies or industries with high positive correlations to one another. Securities, sectors or companies that share common characteristics are often subject to similar business risks and regulatory burdens, and often react similarly to specific economic, market, political or other developments. Therefore, investments that are focused in particular countries, regions, sectors, sectors within a country or region, industries or companies that are

subject to the same or similar risk factors, and investments whose prices are closely correlated to one another, subject a Client Account to greater overall risk than do investments that are more diversified and/or whose prices are not as closely correlated. To the extent a Client Account invests in the securities of a small number of issuers, it has greater exposure to adverse developments affecting those issuers and to a decline in the market prices of particular securities than would an investment fund investing in the securities of a larger number of issuers. Because certain Client Accounts intend to hold long positions in securities issued by Japan-related companies, such Client Accounts' performance will be closely tied to the social, economic and political conditions within Japan. (See "Risk Factors – Japanese Market Risk.")

To the extent a high percentage of a Client Account's assets are invested in the securities of a limited number of issuers and will likely be invested in a concentrated geographic area, an investment in such Client Account will be more susceptible to any single economic, political or regulatory occurrence than an investment in a diversified investment fund.

Smaller Company Risk. Certain Client Accounts periodically invest in smaller companies of any market capitalization. Market risk and liquidity risk are particularly pronounced for securities of companies with smaller market capitalizations. These companies may have limited product lines, markets or financial resources or they may depend on a smaller group of key employees as compared to larger companies. Securities of smaller companies often trade less frequently and in lesser volume than more widely held securities and their values can fluctuate more sharply than other securities. They may also trade in the over-the-counter market or on a regional exchange, or may otherwise have limited liquidity. Investments in smaller, less seasoned companies may present greater opportunities for growth and capital appreciation, but also involve greater risks than customarily are associated with larger, more established companies.

Market Disruptions, Terrorism, Health Crises, and Geopolitical Risk. Client Accounts are subject to the risk that natural disasters and geopolitical and other events (e.g., wars, terrorism, sanctions and outbreaks of disease) will disrupt securities markets and adversely affect global economies and markets, and thereby decrease the value of a Client Account's investments. Sudden or significant changes in the supply or prices of commodities or other economic inputs can have material and unexpected effects on both global securities markets and individual countries, regions, sectors, companies, or industries, which could significantly reduce the value of a Client Account's investments. Securities markets are susceptible to market manipulation or other fraudulent trading practices, which could disrupt the orderly functioning of markets or reduce the value of investments traded in them, including investments of a Client Account.

Terrorism in the United States and around the world has had a similar global impact and has increased geopolitical risk. The terrorist attacks on September 11, 2001 resulted in the closure of some U.S. securities markets for four days, and similar attacks are possible in the future. A number of countries in Europe have suffered terror attacks, and additional attacks may occur in the future.

On February 21, 2022, Russian President Vladimir Putin ordered the Russian military to invade two regions in eastern Ukraine. On February 22, 2022, the United States, United

Kingdom and European Union announced sanctions against Russia. On February 24, 2022, President Putin commenced a full-scale invasion of Russia's pre-positioned forces into Ukraine. In response, on February 24 and 25, 2022, the United States, United Kingdom, and European Union imposed further sanctions designed to target the Russian financial system, and thereafter a number of countries have banned Russian planes from their airspace. Further sanctions have been imposed and more may be forthcoming, and the U.S. and allied countries have recently announced they are committed to taking steps to prevent certain Russian banks from accessing international payment systems. Russia's invasion of Ukraine, the resulting displacement of persons both within Ukraine and to neighboring countries, and the increasing international sanctions could have a negative impact on the economy and business activity globally (including in the countries in which a Client Account may invest), and therefore could adversely affect the performance of a Client Account's investments. Furthermore, given the ongoing nature of the conflict between the two nations and its ongoing escalation (such as Russia's recent decision to place its nuclear forces on high alert and the possibility of significant cyberwarfare against military and civilian targets globally), it is difficult to predict the conflict's ultimate impact on global economic and market conditions, and, as a result, the situation presents material uncertainty and risk with respect to each Client Account and the performance of its investments or operations, and the ability of each Client Account to achieve its investment objectives.

The uncertainty surrounding the sovereign debt of several European Union ("EU") countries, as well as the continued existence of the EU itself, have disrupted and may continue to disrupt markets in the United States and around the world. If a country changes its currency or leaves the EU or the EU dissolves, there likely will be significant disruptions in the world's securities markets and substantive government interventions (e.g., currency controls), which could negatively impact a Client Account.

The United Kingdom ("UK") left the EU on January 31, 2020 (commonly referred to as "Brexit"). During an 11-month transition period, the UK and the EU agreed to a Trade and Cooperation Agreement which sets out the agreement for certain parts of the future relationship between the EU and the UK from January 1, 2021. The Trade and Cooperation Agreement does not provide the UK with the same level of rights or access to all goods and services in the EU as the UK previously maintained as a member of the EU and during the transition period. In particular the Trade and Cooperation Agreement does not include an agreement on financial services which is yet to be agreed. Accordingly, uncertainty remains in certain areas as to the future relationship between the UK and the EU.

From January 1, 2021, EU laws ceased to apply in the UK. However, many EU laws have been transposed into English law and these transposed laws will continue to apply until such time that they are repealed, replaced or amended. Depending on the terms of any future agreement between the EU and the UK on financial services, substantial amendments to English law may occur, and it is impossible to predict the consequences on each Client Account and its investments. Such changes could be materially detrimental to investors.

Although one cannot predict the full effect of Brexit, it could have a significant adverse impact on the UK, European and global macroeconomic conditions and could lead to prolonged political, legal, regulatory, tax and economic uncertainty. This uncertainty is likely to continue to impact the global economic climate and may impact opportunities, pricing, availability and

cost of bank financing, regulation, values or exit opportunities of companies or assets based, doing business, or having service or other significant relationships in, the UK or the EU, including companies or assets held or considered for prospective investment by a Client Account.

The future application of EU-based legislation to the private fund industry in the UK and the EU will ultimately depend on how the UK renegotiates the regulation of the provision of financial services within and to persons in the EU. There can be no assurance that any renegotiated terms or regulations will not have an adverse impact on a Client Account and its investments, including the ability of a Client Account to achieve its investment objectives. Brexit may result in significant market dislocation, heightened counterparty risk, an adverse effect on the management of market risk and, in particular, asset and liability management due in part to redenomination of financial assets and liabilities, an adverse effect on the ability of the Manager to manage, operate and invest the Client Accounts and increased legal, regulatory or compliance burden for the Manager and/or a Client Account, each of which may have a negative impact on the operations, financial condition, returns or prospects of a Client Account.

Areas where the uncertainty created by the UK's withdrawal from the EU is relevant include, but are not limited to, trade within Europe, foreign direct investment in Europe, the scope and functioning of European regulatory frameworks (including with respect to the regulation of alternative investment fund managers and the distribution and marketing of alternative investment funds), industrial policy pursued within European countries, immigration policy pursued within EU countries, the regulation of the provision of financial services within and to persons in Europe and trade policy within European countries and internationally. The volatility and uncertainty caused by the withdrawal may adversely affect the value of a Client Account's investments and the ability to achieve the investment objective of the Client Account.

War, terrorism, sanctions, global health crises or similar pandemics, natural and environmental disasters, systematic market dislocations, economic uncertainty and related geopolitical events have led, and in the future may lead, to increased short-term market volatility and may have adverse long-term effects on economies and markets generally, as well as adverse effects on issuers or securities and the value of a Client Account's investments. Those events, as well as other changes in world economic, political and health conditions, also could adversely affect individual issuers or related groups of issuers, securities markets, interest rates, credit ratings, inflation, investor sentiment and other factors affecting the value of a Client Account's investments. At such times, a Client Account's exposure to a number of other risks described elsewhere in this section can increase.

In addition, the physical effects of climate change may have a significant effect on a Client Account's business, operations, and physical assets. Effects of climate change may subject a Client Account to risks including, but not limited to, property damage to investments, financial and operational impacts from disruptions in operations of portfolio companies, increased insurance premiums, and changes in the availability of natural resources.

Market disruptions, including sudden government interventions, can also prevent a Client Account from implementing its investment program for a period of time (including with respect to a Client Account's ability to enter and exit investments) and achieving its investment

objective. For example, a disruption may cause disruptions to the ordinary functioning of the securities markets and/or may cause a Client Account's derivatives counterparties to discontinue offering derivatives on some underlying commodities, securities, reference rates, or indices or to offer them on a more limited basis.

Events such as health pandemics or outbreaks of disease have in the past and may in the future lead to increased short-term market volatility and may have adverse long-term effects on the U.S. and world economies and markets generally. For example, the outbreak in 2019 of a new and highly contagious form of coronavirus disease, COVID-19, prompted precautionary government-imposed closures and restrictions of certain travel and businesses in many countries.

Certain countries have been susceptible to epidemics, most recently COVID-19, which has meaningfully disrupted the global economy and markets. The outbreak of such epidemics, together with any resulting restrictions on travel or quarantines imposed, could have a negative impact on the economy and business activity in the countries in which a Client Account may invest and global commercial activity and thereby adversely affect the performance of a Client Account's investments. Health pandemics or outbreaks could result in a general economic decline in a given region, or globally, particularly if the outbreak persists for an extended period of time or spreads globally. This could have an adverse impact on a Client Account's investments, or a Client Account's ability to make new investments or to realize its investments. Pandemics and similar events could also have an acute effect on individual issuers or related groups of issuers and could adversely affect securities markets, interest rates, ratings, credit risk, inflation, deflation and other factors relating to a Client Account's investments or the Manager's operations and the operations of a Client Account's service providers.

Any outbreak of disease epidemics such as the severe acute respiratory syndrome, avian influenza, H1N1/09, and most recently, COVID-19, or other similarly infectious diseases have in the past and may in the future result in the closure of the Manager's and/or an investment's offices or other businesses, including office buildings, retail stores and other commercial venues and could also result in a number of potentially adverse consequences, including (a) the lack of availability or price volatility of raw materials or component parts necessary to an investment's business, (b) disruption of regional or global trade markets and/or the availability of capital or leverage, (c) trade or travel restrictions which impact an investment's business and/or (d) a general economic decline. Such outbreaks of disease have in the past and may in the future have an adverse impact on a Client Account's value and/or a Client Account's investments.

In addition, to the extent an epidemic, including COVID-19, is present in jurisdictions in which the Manager has offices or investments, it could affect the ability of the Manager and its service providers to operate effectively, including the ability of personnel to function, communicate and travel to the extent necessary to carry out a Client Account's investment strategy and objectives.

Liquidity Risk. We do not intend to have our clients invest in illiquid securities; however, certain clients have in the past and may in the future retain an interest in securities that are determined to be liquid at the time of investment in such security but that later become, or are determined to have become, illiquid. Our ability to sell assets has in the past and may in the future be adversely affected by limited trading volume, lack of a market maker, the size of the

position being sold, or legal restrictions. These limitations on liquidity of our clients' investments could prevent a successful sale thereof, result in delay of any sale, or reduce the amount of proceeds that might otherwise be realized. Where registration is required to sell a restricted security, our clients may be obligated to pay all or part of the registration expenses, and a considerable period may elapse between the decision to sell and the actual sale under an effective registration statement. If adverse market conditions were to develop during such period, our clients might obtain a less favorable price than that which prevailed when it decided to sell. Our clients have in the past and may in the future be unable to sell restricted and other illiquid securities at the most opportune times or at prices approximating the value at which they purchased such securities.

It is also possible that an exchange or governmental authority could suspend or restrict trading on an exchange or in particular securities or other instruments traded on the exchange. It may not always be possible to execute a buy or sell order at the desired price or to liquidate an open position, either due to market conditions on exchanges or due to the operation of daily price fluctuation limits or "circuit breakers."

Some of the markets, exchanges or securities in which we have clients invest could prove to be illiquid, and prices therein or in respect thereof could be highly volatile from time to time and this could affect the price at which and the time period in which our clients liquidate positions to meet redemption requests or other funding requirements.

Custodial Risk. The custodian of each Client Account (the "Custodian") will have custody of such Client Account's securities, cash, distributions and rights accruing to the client securities accounts and will hold such securities on a segregated basis. If, however, the Custodian holds cash on behalf of a Client Account, the Client Account could be an unsecured creditor with respect to such cash in the event of the insolvency of the Custodian. Although holding assets in a custodial bank is generally done to reduce or diversify risk, Client Accounts will be subject to credit risk with respect to the Custodian. In addition, certain of the Client Accounts' assets are held by entities other than the Custodian. As a result, such Client Accounts are subject to credit risk with respect to such third parties as well as with respect to the Custodian. For example, if a Client Account were to enter into "over-the-counter" derivatives contracts such as currency swaps, such Client Account could be required to provide certain of its assets as collateral to counterparties in connection with such contracts. If a Client Account were to have over-collateralized derivative contracts, it would likely be an unsecured creditor of any such counterparty in the event of its insolvency. Also, even if the Custodian or such third parties did have sufficient assets to meet all claims, there could be a delay before a Client Account received assets to satisfy its claims. The Client Accounts have not in the past but may in the future change the custodial arrangement described herein at any time without notice to investors. There are likely to be operational and other delays associated with changes in custody arrangements, even if a Client Account decides to reduce the risks of having a particular counterparty hold assets.

Portfolio Turnover. None of the Client Accounts have placed any limit on the rate of portfolio turnover, and portfolio securities can be sold without regard to the amount of time they have been held when, in the opinion of Mission Value Partners, investment considerations warrant such action. A high rate of portfolio turnover involves correspondingly greater expenses

than a lower rate, can act to reduce a Client Account's investment profits or create a loss for investors, and can result in increased taxable costs for investors, depending on the tax provisions applicable to such investors.

Short Selling. Generally, no more than 5% of the net assets of each Client Account (as determined at the time of the investment) will be invested in short positions at any one time. Short selling involves selling securities that are not owned by the short seller and borrowing them for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the investor to profit from a decline in market price to the extent that such decline exceeds the transaction costs and the costs of borrowing the securities. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to our clients of buying those securities to cover the short position. Purchasing securities, currencies or other instruments to close out a short position can itself cause the price of the securities, currencies or other instruments to rise further, thereby exacerbating any losses. Under adverse market conditions, a Client Account may have difficulty purchasing securities or currencies to meet its short sale delivery obligations, and may have to sell portfolio securities or currencies to raise the capital necessary to meet its short sale obligations at a time when it would be unfavorable to do so. If a request for return of borrowed securities and/or currencies occurs at a time when other short sellers of the securities and/or currencies are receiving similar requests, a "short squeeze" can occur, and a Client Account may be compelled to replace borrowed securities and/or currencies previously sold short with purchases on the open market at the most disadvantageous time, possibly at prices significantly in excess of the proceeds received in originally selling the securities and/or currencies short. In addition, a Client Account may have difficulty purchasing securities and/or currencies to meet their delivery obligations in the case of less liquid securities and/or currencies sold short by a Client Account such as certain emerging market country securities or securities of companies with smaller market capitalizations. There also can be no assurance that the securities necessary to cover a short position will be available for purchase at or near prices quoted in the market. Purchasing securities to close out a short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. In addition, short selling exposes a Client Account to the risk that a counterparty will not settle a short sale in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Client Account to suffer a loss.

We have not in the past but may in the future have our clients take short positions in securities through various derivative products. Short sales of securities, currencies or other instruments a Client Account does not own and "short" derivative positions involve forms of investment leverage, and the amount of such Client Account's potential loss is theoretically unlimited. Client Accounts are subject to increased leveraging risk and other investment risks to the extent they sell short securities, currencies, or other instruments it does not own or takes "short" derivative positions.

The SEC and other regulatory authorities in other jurisdictions have in the past and may in the future adopt restrictions or other requirements on short sales, which may affect a Client Account's ability to execute certain investment strategies.

Fixed Income Securities Risks. Fixed income securities are subject to interest rate, credit and market risk, among other risks.

Interest rate risk relates to changes in a security's market value as a result of changes in interest rates. The market price of a Client Account's investments in fixed income securities will typically decrease as interest rates rise because prospective interest payments on new bonds will exceed current payments on existing bonds; the opposite is true when interest rates fall, because current investments have locked in a higher interest rate. The extent to which a fixed income security's price changes with changes in interest rates is referred to as interest rate duration, which can be measured mathematically or empirically. A longer-maturity investment generally has a longer interest rate duration, as the investment's fixed rate is locked in for a longer period of time. The prices of long-term debt obligations generally fluctuate more than prices of short-term debt obligations as interest rates change.

Credit risk relates to the ability or willingness of an issuer or guarantor of a fixed income security to satisfy its obligation to pay principal and interest or otherwise to honor its obligations in a timely manner. The market price of a fixed income security normally will decline as a result of an issuer's, guarantor's, or obligor's failure to meet its payment obligations, or in anticipation of such failure, or the downgrade of the relevant credit rating. This risk is particularly acute in environments (like those of 2008) in which financial services firms are exposed to systemic risks of the type evidenced by the insolvency of Lehman Brothers and subsequent market disruptions.

All fixed income securities are subject to credit risk. Financial strength and solvency of an issuer are the primary factors influencing credit risk. The risk varies depending upon whether the issuer is a corporation, a government or government entity, whether the particular fixed income security has a priority over other obligations of the issuer in payment of principal and interest and whether it has any collateral backing or credit enhancement. Credit risk often changes over the term of a fixed income security. The extent to which the market price of a fixed income security changes in response to a credit event depends on many factors and can be difficult to predict. Credit risk is particularly pronounced for below investment grade securities (commonly referred to as "high yield" or "junk" bonds).

Corporate bonds involve varying degrees of credit risk, reflecting the issuer's credit rating, market conditions and other factors, and may have a higher risk of default than government bonds. Unlike secured corporate bank debt, these obligations are generally (but not always) unsecured and may be contractually or structurally subordinated to a borrower's senior bank debt.

The price of fixed income securities held by a Client Account may decline significantly due to market-related factors, including rising interest rates and widening credit spreads, or decreased liquidity stemming from the market's uncertainty about the value of a fixed income investment (or a class of fixed income investments). Market risk for fixed income securities is amplified by illiquidity risk.

Derivatives. In addition to Client Accounts' investments in short positions as discussed above, the Client Accounts have not in the past but may in the future use derivatives, including, without limitation, swaps, forward and futures contracts, if the Manager were to deem it to be materially beneficial to the Client Account. Derivatives are financial contracts whose value

depends on, or is derived from, the value of underlying assets, reference rates, or indices. Derivatives involve the risk that their value may not change as expected relative to changes in the value of the assets, rates, or indices they are designed to track. The use of derivatives involves risks that are in addition to, and potentially greater than, the risks of investing directly in securities and other more traditional assets. In general, the value of a derivative instrument, including swaps and forward and futures contracts, depends upon price movements in the underlying asset, reference rate or index. Thus, many of the risks applicable to trading the underlying asset, reference rate or index apply equally to the derivative instrument applicable to such asset.

A Client Account's use of derivatives may not be effective or have the desired results. Moreover, suitable derivatives will not be available in all circumstances. All derivative instruments involve risks different from, and potentially greater than the risks associated with, investing directly in securities and other more traditional assets, including:

Market Risk. This is the general risk attendant to all investments that the market value of a particular investment will change in a way detrimental to the clients' interests.

Management Risk. Derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with equity and fixed income securities. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into and the ability to assess the risk that a derivative adds to the client's portfolio. There can be no guarantee that the Manager's use of derivatives will produce the desired effect.

Leverage Risk. Because many derivatives have a leverage component (i.e., a notional value in excess of the assets needed to establish and/or maintain the derivative position), adverse changes in the market value or level of the underlying asset, rate, or index can result in a loss substantially greater than the amount invested in the derivative itself. Certain derivatives have the potential for unlimited loss, regardless of the size of the initial investment.

Valuation Risk. Other risks in using derivatives include the risk of mispricing or incorrect valuation of derivatives. Many derivatives, in particular over-the-counter derivatives, are complex, and their valuation often requires modeling and judgment, which increases the risk of mispricing or incorrect valuation. There can be no assurance that the pricing models employed by the Manager and/or the valuation manager will produce valuations that are consistent with the values realized when over-the-counter derivatives are actually closed out or sold. Derivatives involve the risk that their value may not change as expected relative to the market value of the assets, rates, or indices they are designed to track. The risk is more pronounced when outstanding notional amounts in the market exceed the amounts of the referenced assets.

Counterparty Risk. In the context of derivative transactions, counterparty risk is the risk that a loss would be sustained by the client as a result of the failure of the other party to a derivative contract (usually referred to as a "counterparty") to comply with the terms of the derivative contract, or as a result of the counterparty's insolvency or unwillingness to honor its obligations. The credit risk for cleared derivatives (i.e., derivatives traded through a central

clearing house) is generally believed to be less than for over-the-counter derivatives, since the clearing house, which is the counterparty to each cleared derivative transaction, is the counterparty to the derivative transaction, though a party will be subject to the credit risk of the clearing house and its clearing member.

In the event of a counterparty's (or its affiliate's) insolvency, a Client Account's ability to exercise remedies, such as the termination of transactions, netting of obligations and realization on collateral, could be stayed or eliminated under special resolution regimes adopted in the United States, the EU, the UK and various other jurisdictions. Such regimes provide government authorities with broad authority to intervene when a financial institution is experiencing financial difficulty. In particular, with respect to counterparties who are subject to such proceedings in the EU and the UK, the liabilities of such counterparties to a Client Account could be reduced, eliminated, or converted to equity in such counterparties (sometimes referred to as a "bail in").

U.S. Resolutions Stay Regimes. One such regime is the U.S. Resolution Stay regime, which consists of regulations adopted by federal banking regulators under the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank"), which are now in effect, require that certain qualified financial contracts ("QFCs") with counterparties that are part of U.S. or foreign global systemically important banking organizations be amended to include contractual restrictions on close-out and cross-default rights. QFCs include, but are not limited to, securities contracts, commodities contracts, forward contracts, repurchase agreements, securities lending agreements and swaps agreements, as well as related master agreements, security agreements, credit enhancements, and reimbursement obligations. If a covered counterparty of the Client Accounts or certain of the covered counterparty's affiliates were to become subject to certain insolvency proceedings, the Client Accounts will be temporarily unable to exercise certain default rights, and the QFC may be transferred to another entity. Similar regimes have been adopted in the EU, the UK and various other jurisdictions. These regimes provide government authorities with broad authority to intervene when a financial institution is experiencing financial difficulty and may prohibit a Client Account from exercising termination rights based on the financial institution's insolvency. In particular, in the EU and the UK, governmental authorities could reduce, eliminate or convert to equity the liabilities to a Client Account of a counterparty experiencing financial difficulties (commonly referred to as a "bail in"). These requirements would impact the Client Account's credit and counterparty risks.

Risks Associated with Cleared Derivative Transactions. Transactions in some types of swaps (including some interest rate swaps and credit default swaps on North American and European indices) are required to be centrally cleared. In a transaction involving those swaps, a Client Account's counterparty is a clearing house, rather than a bank or broker. Since the Client Accounts are not members of a clearing house and only members of a clearing house ("clearing members") can participate directly in the clearing house, a Client Account would hold cleared derivatives through accounts at a clearing member. In cleared derivatives transactions, a Client Account will make payments (including margin payments) to and receive payments from a clearing house through its accounts at a clearing member. Clearing members guarantee performance of their clients' obligations to the clearing house. In the EU and UK markets, a Client Account's counterparty is the clearing member, and the clearing member maintains a back-to-back swap with the clearing house.

In many ways, cleared derivative arrangements are less favorable to funds than bilateral arrangements. For example, a Client Account may be required to provide more margin for cleared derivatives transactions than for bilateral derivatives transactions, and margin and other requirements can be changed by the clearing member in its discretion, or by the clearing house. Any increase in margin requirements or termination of existing cleared derivatives transactions by the clearing member or the clearing house could interfere with the ability of a Client Account to pursue its investment strategy. Further, any increase in margin requirements by a clearing member could expose a Client Account to greater credit risk to its clearing member, because margin for cleared derivatives transactions in excess of a clearing house's margin requirements typically is held by the clearing member.

The requirement to clear certain derivatives and other new rules and regulations could, among other things, further restrict a Client Account's ability to engage in, or increase the cost to the Client Account of, derivatives transactions, for example, by making some types of derivatives no longer available to the Client Account, increasing margin or capital requirements, or otherwise limiting liquidity or increasing transaction costs. While these regulations and central clearing of some derivatives transactions are designed to reduce systemic risk (i.e., the risk that the interdependence of large derivatives dealers could cause them to suffer liquidity, solvency or other challenges simultaneously), there is no assurance that the new clearing mechanisms will achieve that result, and in the meantime, as noted above, central clearing exposes Client Accounts to new kinds of risks and costs.

Other Risks. Derivatives are also subject to currency and other risks. Suitable derivatives may not be available in all circumstances. For example, the economic costs (including fees for negotiating, initial margin and other costs) of taking some derivatives positions may be prohibitive. In addition, the Manager may decide not to use derivatives to hedge or otherwise reduce a Client Account's risk exposures, potentially resulting in losses for the client.

Derivatives Regulation. The U.S. government has enacted and is continuing to implement legislation that provides for regulation of the derivatives market, including clearing, margin, reporting, and registration requirements. The EU and the UK (and various other countries) have implemented or are in the process of implementing similar requirements, which will affect a Client Account when it enters into a derivatives transaction with a counterparty organized in that jurisdiction or otherwise subject to that jurisdiction's derivatives regulations. Because some of these requirements are still new and evolving (and some of the rules do not yet apply), their ultimate impact remains unclear.

The U.S. government, the EU and the UK have adopted mandatory minimum margin requirements for bilateral derivatives. As a general matter, under such requirements, a Client Account's transactions are subject to variation margin requirements and, depending on the aggregate notional value of bilateral derivatives entered into by a Client Account, initial margin requirements may apply. Such requirements could increase the amount of margin a Client Account needs to provide in connection with its derivatives transactions and, therefore, make derivatives transactions more expensive.

The CFTC and U.S. futures exchanges have established (and continue to evaluate and revise) limits ("position limits") on the maximum net long or net short positions which any person, or group of persons acting in concert, may hold or control in particular contracts. In addition, starting January 1, 2023, federal position limits will apply to swaps that are economically equivalent to futures contracts that are subject to CFTC-set speculative limits. The position limit regimes in the EU and UK apply to positions in certain commodity derivatives. The CFTC has adopted a rule which materially expands the scope of contracts subject to federal limits to include additional futures and options and certain swaps. Under the CFTC rule, all positions owned or controlled by the same person or entity, even if in different accounts, must be aggregated for purposes of complying with position limits. Thus, even if a Client Account does not intend to exceed applicable position limits, it is possible that different clients managed by the Manager may be aggregated for this purpose. Therefore, the trading decisions of the Manager may have to be modified and positions held by a Client Account may have to be liquidated in order to avoid exceeding such limits. The modification of investment decisions or the elimination of open positions, if it occurs, may adversely affect the profitability of a Client Account. A violation of position limits could also lead to regulatory action materially adverse to a Client Account's investment strategy.

REITs. Certain Client Accounts may invest in real estate investment trusts ("REITs") and other real estate-related investments. REITs are managed vehicles that invest in real estate or real estate-related companies. Investment in REITs are subject to risks associated with the direct ownership of real estate, such as changes in real estate values, supply of real property in certain markets, overbuilding, delays in completion of construction, increased competition, increases in operation costs and property taxes, changes in zoning laws, casualty or condemnation losses, possible environmental liabilities, regulatory limitations on rent, levels of occupancy, and fluctuations in rental income. The value of real estate-related investments also would be affected by changes in interest rates, macroeconomic developments and social and economic trends. Furthermore, REITs are dependent upon specialized management skills and have limited diversification. By investing in REITs indirectly through the Client Accounts, clients will bear not only their proportionate share of the expenses of the Client Accounts, but

also, indirectly, similar expenses of REITs. In addition, REITs depend generally on their ability to generate cash flow to make distributions to investors.

Convertible Securities Risk. A convertible security is a security (such as a bond or preferred stock) that may be converted at a stated price within a specified period into a specified number of shares of common stock of the same or a different issuer. Convertible securities are senior to common stock in an issuer's capital structure, but are usually subordinated to senior debt obligations of the issuer. Convertible securities provide holders, through their conversion feature, an opportunity to participate in increases in the market price of their underlying securities. A convertible security entitles the holder either to receive interest that is generally paid or accrued on a convertible bond or to receive a dividend that is paid or accrued on preferred stock until the convertible security matures or is redeemed, converted or exchanged.

The market value of a convertible security is a function of its "investment value" (determined by its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege) and its "conversion value" (the security's worth, at market value, if converted into the underlying common stock). The investment value of a convertible security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the issuer and other factors also would have an effect on the convertible security's investment value. The conversion value of a convertible security is determined by the market price of the underlying common stock. If the conversion value is low relative to the investment value, as in the case of "broken" or "busted" convertibles, the price of the convertible security is governed principally by its investment value. To the extent the market price of the underlying common stock approaches or exceeds the conversion price, the price of the convertible security will be increasingly influenced by its conversion value. A convertible security generally will sell at a premium over its conversion value by the extent to which investors place value on the right to acquire the underlying common stock while holding a fixed income security. Generally, the amount of the premium decreases as the convertible security approaches maturity.

A Client Account's investments in convertible securities may include "broken" or "busted" convertibles, which are convertible securities for which the market price of the common stock has fallen significantly below the conversion price of the convertible and, as a result, the conversion feature holds little market value.

A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by a Client Account is called for redemption, the Client Account will be required to permit the issuer to redeem the security, convert it into the underlying common stock, or sell it to a third party. Any of these actions could have an adverse effect on a Client Account's ability to achieve its investment objective.

High Yield Debt Securities Risk. The lower rating of high yield debt reflects a greater possibility that adverse changes in the financial condition of the obligor or in general economic, regulatory or other conditions (including, for example, a substantial period of rising interest rates or declining earnings) may impair the ability of the obligor to make payment of principal and interest. Many issuers of high yield debt are highly leveraged, and their relatively high debt-to-

equity ratios create increased risks that their operations might not generate sufficient cash flow to service their debt obligations. In addition, many issuers of high yield debt may be (i) in poor financial condition, (ii) experiencing poor operating results, (iii) having substantial capital needs or negative net worth, or (iv) facing special competitive or product obsolescence problems, and may include companies involved in bankruptcy or other reorganizations or liquidation proceedings. Certain of these securities may not be publicly traded, and therefore it may be difficult to obtain information as to the true condition of the issuers. Investments in high yield debt are more dependent on the Manager's own credit analysis than investments in higher quality bonds. Overall declines in the below investment-grade bond and other markets may adversely affect such issuers by inhibiting their ability to refinance their debt at maturity. High yield debt is often issued in connection with leveraged acquisitions or recapitalizations in which the issuers incur a substantially higher amount of indebtedness than the level at which they had previously operated. High yield debt has historically experienced greater default rates than has been the case for investment-grade securities.

High yield debt is often less liquid than higher rated securities. Reduced liquidity can affect the values of high yield debt, make their valuation and sale more difficult, and result in greater volatility. Because high yield debt securities are difficult to value, particularly during erratic markets, the prices realized on their sale may differ from the values at which they are carried by a Client Account. In addition, as with other types of investments, the market for high yield debt securities has historically been subject to disruptions that have caused substantial volatility in the prices of such securities. The market for high yield debt may be more severely affected than other financial markets by economic recession or substantial interest rate increases, changing public perceptions, or legislation that limits the ability of certain categories of financial institutions to invest in high yield debt. Consolidation in the financial services industry has resulted in there being fewer market makers for high yield debt securities, which may result in the further risk of illiquidity and volatility with respect to high yield debt securities held by a Client Account, and this trend may continue in the future. Furthermore, high yield debt securities held by a Client Account may not be registered under the 1933 Act, and, unless so registered, the Client Accounts will not be able to sell such high yield debt securities except pursuant to an exemption from registration under the 1933 Act. This may further limit a Client Account's ability to sell high yield debt securities or to obtain the desired price for such securities.

High yield debt in the form of zero-coupon or deferred interest bonds typically experiences greater volatility in market value due to changes in the interest rates than bonds that provide for regular payments of interest.

Risks of Investments in ETFs. Exchange-traded funds ("ETFs") are hybrid investment companies that are registered as open-end investment companies or unit investment trusts ("UITs") but possess some of the characteristics of closed-end funds. ETFs typically hold a portfolio of either bonds or other fixed income instruments or common stocks, depending on the Client Accounts investment strategy, that is intended to track the price and dividend performance of a particular index. The market price for ETF shares may be higher or lower than the ETF's net asset value. The sale and redemption prices of ETF shares purchased from the issuer are based on the issuer's net asset value. Among other risks, investments in ETFs involve the risk that the ETF's performance may not track the performance of the index (if any) the ETF is

designed to track. Unlike the index, an ETF incurs administrative expenses and transaction costs in trading securities. In addition, the timing and magnitude of cash inflows and outflows from and to investors buying and redeeming shares in the ETF could create cash balances that cause the ETF's performance to deviate from the index (which remains "fully invested" at all times). Performance of an ETF and the index it is designed to track also may diverge because the composition of the index and the securities held by the ETF may occasionally differ. In addition, ETFs often use derivatives to track the performance of the relevant index and, therefore, investments in those ETFs are subject to the same derivatives risks discussed herein.

Counterparty and Settlement Risk. To the extent a Client Account invests in non-U.S. securities, swaps, or derivatives, or other over-the-counter transactions, in certain circumstances, such Client Account may take a credit risk with regard to parties with whom it trades and may also bear the risk of settlement default. These risks may differ materially from those entailed in centrally-cleared transactions which generally are backed by clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default. In the international securities markets, the existence of less mature settlement structures and systems can result in settlement default and exposure to counterparty credits. The ability of a Client Account to transact business with any one of a number of counterparties, the lack of any meaningful and independent evaluation of such counterparties' financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by a Client Account.

Inflation and Deflation Risk. Inflation risk is the risk that the value of certain investments or income thereon will be worth less in the future as inflation decreases the value of money. As inflation increases, the real value of a Client Account's investments can decline. Deflation risk is the risk that prices decline over time – the opposite of inflation. Deflation may have an adverse effect on the creditworthiness of companies in which a Client Account invests and may make defaults more likely, which may result in a decline in the value of a Client Account's investments. In recent years, multiple world governments, as well as inter-governmental institutions, have undertaken, and in some cases may still be undertaking, various forms of fiscal stimulus measures, including setting interest rates that are at historic lows and undertaking, so called "quantitative easing." Such stimuli, unless successfully managed and scaled back at the appropriate time, may be inflationary. In addition, there is significant concern in macroeconomic terms about the levels of indebtedness carried by certain governments. While bringing with it a range of issues, one of the consequences of an extended period of a higher-than-desired level of inflation is often to erode in real terms the value of government debt. This element of debt erosion may create an incentive for governments to be less robust in seeking to deal with inflation than might otherwise have been the case had the government concerned not suffered from a high level of indebtedness. If such inflation occurs it would have the negative consequences for a Client Account set out above.

In addition, inflation may pose a risk to investors because it can reduce savings and investment returns. Inflation and rapid fluctuations in inflation rates have had in the past, and may in the future have, negative effects on economies and financial markets, particularly in emerging economies. Furthermore, wages, prices of inputs and borrowing costs increase during

periods of inflation, which can negatively impact returns on investments. Governmental efforts to curb inflation often have negative effects on the level of economic activity. Central banks, such as the U.S. Federal Reserve, generally attempt to control inflation by regulating the pace of economic activity. They typically attempt to affect economic activity by raising and lowering short-term interest rates. At times, governments may attempt to manage inflation through fiscal policy, such as by raising taxes or reducing spending, thereby reducing economic activity; conversely, governments can attempt to combat deflation with tax cuts and increased spending designed to stimulate economic activity. Inflation rates may change frequently and significantly as a result of various factors, including unexpected shifts in the domestic or global economy and changes in economic policies, and a Client Account's investments may not keep pace with inflation, which may result in losses to the Client Account and its investors. Further, certain countries, including the U.S., have recently seen increased levels of inflation and there can be no assurance that continued and more wide-spread inflation will not become a serious problem in the future and have an adverse impact on a Client Account's returns. If inflation continues to increase, the real value of a Client Account's investments could decline and the interest payments on a Client Account's borrowings, if any, may increase.

Risks of Pooled Investment Vehicles. Investments by a Client Account in pooled investment vehicles would involve a layering of fees and other costs. In addition, investment decisions of third-party investment vehicles are made by their investment advisers independently of each other. As a result, at any particular time one investment vehicle may be purchasing securities of an issuer whose securities are being sold by another investment vehicle and a Client Account could indirectly incur certain transaction costs without accomplishing any net investment result. A Client Account may also be exposed to the risk that pooled investment vehicles in which they have invested will not perform as expected.

Reliance on Mission Value Partners and Key Personnel. Investment decisions will be made for each Client Account by Mission Value Partners, consistent with a particular client's investment advisory agreement, offering document, or organizational documents. The success of each Client Account will depend on the ability of Mission Value Partners to identify suitable investments and to dispose of such investments at a profit for such Client Account. There can be no assurance that Mission Value Partners will be successful in this regard. Adverse events could affect one or more of a Client Account's investments at the same time. The investment performance of a Client Account depends largely on the skill of key personnel and investment professionals of Mission Value Partners, including, in particular, Mr. McDermott. There also can be no assurance that all of the personnel of Mission Value Partners will continue to be associated with Mission Value Partners for any length of time. The loss of the services of one or more employees of Mission Value Partners could have an adverse impact on a Client Account's ability to realize its investment objective.

Broad Authority of Mission Value Partners. The governing documents and the investment advisory agreement of each Client Account give the Manager broad discretion over the conduct of such Client Account's business. Such discretion will be exercised without the consent of the investors. In addition, the Manager has in the past and may in the future offer additional interests for sale to new and existing investors without the consent of the existing shareholders.

Dependence on Mission Value Partners. The investment advisory agreements with Mission Value Partners give Mission Value Partners broad discretion over each Client Account's investments.

Temporary Strategies. The Manager has not in the past, but may at times in the future, judge that market conditions make pursuing a Client Account's investment strategies inconsistent with the best interests of its investors. The Manager then may temporarily use alternative strategies that are mainly designed to limit such Client Account's losses. Although the Manager has the flexibility to use these strategies, it may choose not to for a variety of reasons, even in very volatile market conditions. These strategies may cause a Client Account to miss out on investment opportunities, and may prevent a Client Account from achieving its goal.

Legal, Tax and Regulatory Risks. Legal, tax and regulatory changes could occur during the term of a Client Account which may adversely affect a Client Account.

New (or revised) laws or regulations or interpretations of existing laws have in the past and may in the future be issued by the U.S. Internal Revenue Service (the "IRS"), the Treasury, the CFTC, the Securities and Exchange Commission ("SEC"), the U.S. Federal Reserve or other banking regulators, other governmental regulatory authorities, or self-regulatory organizations that supervise the financial markets that could adversely affect the Client Accounts. The Client Accounts also may be adversely affected by changes in the enforcement or interpretation of existing statutes and rules by these governmental regulatory authorities or self-regulatory organizations. For example, there has been an increase in governmental, as well as self-regulatory, scrutiny of the financial services industry generally, and the alternative investment industry in particular. Such scrutiny would increase a Client Account's and/or the Manager's exposure to potential liabilities and to legal, compliance and other related costs. Increased regulatory oversight can also impose administrative burdens on the Manager, including, without limitation, responding to investigations and implementing new policies and procedures. Such burdens would divert the Manager's time, attention and resources from portfolio management activities. It is impossible to predict what, if any, changes in regulations may occur, but any regulation that restricts the ability of the Client Accounts to trade in securities could have a material adverse impact on the Client Accounts' performance.

On August 23, 2023, the SEC adopted previously proposed new rules and amendments to existing rules (collectively, the "Private Funds Rules") under the Advisers Act specifically related to advisers of private funds. The Private Funds Rules will impose new and substantial requirements on advisers and the funds they advise, including with respect to quarterly reporting, restricted activities, preferential treatment of investors, audit requirements, adviser-led secondaries and annual compliance reviews. The Private Funds Rules, in addition to any other new rules adopted by the SEC, are expected to significantly impact the business of the Manager and its affiliates, a Mission Fund and/or its investments. As a result of the new rules, the Manager will under certain circumstances be restricted or refrain from providing information regarding a Mission Fund in response to investor requests. The Manager will be required to circulate to all investors the material terms of any preferential treatment agreed in connection with investments in a Mission Fund (i.e., all side letter terms), without regard to any most favored nation provision. This may ultimately impact the Manager's decisions with respect to agreeing to certain preferential rights. Further, many provisions of the Private Funds Rules

require the Manager to make a variety of subjective determinations as to whether and how such rules apply to a Mission Fund and the Manager's related obligations. The Manager will face conflicts of interest in making such determinations, including for example with respect to whether certain fees and expenses may be charged to a Mission Fund, whether certain provisions may have a material negative impact on certain investors and whether certain allocations are fair and equitable. The Manager's and a Mission Fund's compliance burdens and associated costs including, without limitation, insurance expenses, are also expected to increase. The Manager also will be subject to increased risk of exposure to additional regulatory scrutiny, litigation, censure and penalties for noncompliance or perceived noncompliance as a result of the Private Funds Rules, and any noncompliance or perceived noncompliance with such rules may negatively impact a Mission Fund's reputation as well as its investment activities, thereby materially reducing returns to investors. Several trade groups representing private fund managers have filed a legal challenge to the Private Funds Rules and other legal challenges to the Private Funds Rules may be forthcoming. Regardless of the outcome of these lawsuits, the implementation of these new rules is expected to create additional burdens for advisers to private funds.

LIBOR Replacement Risk. Payment obligations, financing terms and investments in many financial instruments (including debt securities and derivatives) may be tied to floating rates, such as the London Interbank Offered Rate ("LIBOR"). In 2017, the UK Financial Conduct Authority announced its intention to cease compelling banks to provide the quotations needed to sustain LIBOR after 2021. ICE Benchmark Administration, the administrator of LIBOR, ceased publication of most LIBOR settings on a representative basis at the end of 2021 and is expected to cease publication of a majority of U.S. dollar LIBOR settings on a representative basis after June 30, 2023. In addition, global regulators have announced that, with 21 limited exceptions, no new LIBOR-based contracts should be entered into after 2021. Actions by regulators have resulted in the establishment of alternative reference rates to LIBOR in most major currencies (e.g., the Secured Overnight Financing Rate for U.S. dollar LIBOR and the Sterling Overnight Interbank Average Rate for GBP LIBOR). Various financial industry groups have been planning for the transition away from LIBOR, and markets are developing in response to these new rates, but questions around the liquidity of the new rates and how to appropriately adjust these rates to eliminate any economic value transfer at the time of transition remain a significant concern. It is difficult to predict the full impact of the transition away from LIBOR on each Client Account. The transition process may involve, among other things, increased volatility or illiquidity in markets for instruments that rely on LIBOR. The transition may also result in a reduction in the value of certain LIBOR-based investments held by a Client Account or reduce the effectiveness of related transactions such as hedges. Any such effects of the transition away from LIBOR, as well as other unforeseen effects, could result in losses for the Client Account. Since the usefulness of LIBOR as a benchmark could also deteriorate during the transition period, effects could occur at any time.

Fund Valuation. The net asset value of each Mission Fund will be calculated by the Mission Fund's administrator. Third-party pricing information may at times not be available regarding certain of a Mission Fund's investments. Valuations based on models will be affected by assumptions in the models and may not reflect the prices at which positions could, in fact, be covered or sold. The liquidation values of securities and other investments may differ significantly from the interim valuations of such investments derived from the valuation methods

described herein. Such differences may be further affected by the time frame within which such liquidation occurs. Valuations of securities and other investments involve uncertainties and judgments, and if such valuations should prove to be incorrect, the net asset value of a Mission Fund could be adversely affected. In addition, valuation of a Mission Fund's securities and other investments will affect the amount of the management fee paid to Mission Value Partners, which involves an inherent conflict of interest. Absent manifest error, valuation determinations will be conclusive and binding on all investors.

Past Performance Risk. The past investment performance of any Client Account or any other fund or account managed by the Manager or its affiliates or their respective principals or entities with which they have been associated should not be construed as an indication of the future results of an investment in a Client Account. An investor must rely upon the ability of the Manager in identifying and implementing investments. In addition, there can be no assurance that a Client Account will achieve its investment objective.

Operations- and Technology-Related Risks; Misconduct of Employees and of Third-Party Service Providers. Each Client Account is subject to the risk of loss as a result of services provided by the Manager and other service providers, including pricing, administrative, accounting, tax, legal, custody, and other services. Operational risk includes the possibility of loss caused by inadequate procedures and controls, human error and system failures by the Manager or a service provider. For example, trading delays or errors could prevent a Client Account from benefiting from potential investment gains or avoiding losses.

Each Client Account and its service providers (including the Manager) are susceptible to cyber-attacks and technological malfunctions that may have effects that are similar to those of a cyber-attack. Cyber-attacks include, among others, stealing or corrupting data maintained online or digitally, preventing legitimate users from accessing information or services on a website, releasing confidential information without authorization, gaining unauthorized access to digital systems for purposes of misappropriating assets and causing operational disruption. Successful cyber-attacks against, or security breakdowns of, a Client Account, the Manager, a custodian, or other service provider have not in the past but may in the future adversely affect the Client Account or its investors. For instance, cyber-attacks could interfere with the processing of investor transactions, affect a Client Account's ability to calculate its net asset value, cause the release or misappropriation of private investor information or confidential Client Account information, impede trading, expose a Client Account, the Manager or investor assets to theft or embezzlement, cause reputational damage, and subject a Client Account to regulatory fines, penalties or financial losses, reimbursement or other compensation costs, and additional compliance costs. The Manager has limited ability to prevent or mitigate cyber-attacks or security or technology breakdowns affecting a Client Account or the service providers. While the Manager has established business continuity plans and systems designed to prevent cyber-attacks, such plans and systems are subject to inherent limitations. Similar types of cyber security risks also are present for issuers of securities in which a Client Account invests, which could result in material adverse consequences for such issuers and cause a Client Account's investment in such securities to lose value. The global spread of COVID-19 caused certain of the Client Accounts and their service providers to implement business continuity plans including widespread use of work-from-home arrangements, which may make such Client Accounts and their service providers more susceptible to cyber-attacks. In addition, the Manager does not

control the cybersecurity plans and systems put in place by third-party service providers, and such third-party service providers have limited indemnification obligations to the Manager or a Client Account.

Misconduct by employees or by third party service providers could also cause significant losses to a Client Account. Employee misconduct could include binding a Client Account to transactions that exceed authorized limits or present unacceptable risks and unauthorized trading activities or concealing unsuccessful trading activities (which, in either case, may result in unknown and unmanaged risks or losses). Losses could also result from actions by third party service providers, including, without limitation, failing to recognize trades and misappropriating assets. In addition, employees and third-party service providers may improperly use or disclose confidential information, which could result in litigation or serious financial harm, including limiting a Client Account's business prospects or future marketing activities. Although the Manager and its affiliates have adopted measures reasonably designed to prevent and detect employee misconduct and to select reliable third-party providers, such measures may not be effective in all cases.

Data Protection. National, federal, and state privacy, data protection and information security laws could be applicable to certain aspects of data processing by certain Client Accounts, the Manager, the Custodian or other third-party service providers. Ensuring compliance with these laws and regulations has in the past and may in the future significantly impact current and planned privacy and information security related practices, the collection, use, sharing, retention and safeguarding of personal data. Failure to comply with such laws could result in fines, sanctions or other penalties, which could materially and adversely affect results of operations and have an impact on reputation.

In-Kind Distributions. While redemptions from Client Accounts will generally be satisfied in cash, under certain circumstances they could be entirely or partly satisfied in kind. The value of securities distributed may increase or decrease before the securities can be sold, and an investor will incur transaction costs in connection with the sale of such securities. Additionally, securities distributed with respect to a redemption by an investor may not be readily marketable. The risk of loss and delay in liquidating these securities will be borne by investors, with the result that an investor may receive less cash than it would have received on the date of redemption.

Dependence on Administrator and Custodian. The Mission Funds are dependent upon the skill of those employed by and affiliated with its administrators and custodians for the proper administration of the Mission Funds' affairs and for the safekeeping of the Mission Funds' assets. State Street Bank and Trust Company is the custodian of the Mission Funds, and Stone Coast Fund Services, LLC acts as the administrator to the Mission Funds.

Side Letters. Mission Value Partners, on behalf of the Mission Funds, has in the past and may in the future enter into side letters or similar agreements with investors, including affiliated investors or funds, that have the effect of supplementing the terms of the governing agreement of the Mission Funds or the investment advisory agreement with Mission Value Partners, including giving these investors more favorable rights and privileges than other investors in the Mission Funds receive, provided such rights not vary the rights of existing

investors. The terms of any such side letter or similar agreement will be confidential, and neither the Mission Fund nor the Manager will make the terms available for review.

Tax Risks. There are a number of tax considerations with respect to an investment in a Mission Fund. Tax laws are subject to change, and tax liabilities could be incurred by investors as a result of changes thereto. Therefore, investors should consult their own tax advisors to determine the tax effects of an investment in a Mission Fund, especially in light of their particular financial situations.

Tax Reform Risks. On December 22, 2017, P.L. 115-97 (the “Tax Act”), originally introduced in Congress as the U.S. Tax Cuts and Jobs Act, was enacted. There continues to be uncertainty regarding certain aspects of this law and its application, and the current administration has announced that it is contemplating further legislation that may result in significant changes to the Internal Revenue Code of 1986, as amended. In addition, under current law, capital gains in respect of a general partner’s right to carried interest will be subject to a three-year “holding period” in order to be classified as “long term capital gains,” while the corresponding holding period requirement with respect to capital gains that investors are allocated is one year. This carried interest holding period requirement could affect investment decisions, including the timing and structure of dispositions and other realization events, and it could adversely impact returns for investors. For example, the holding period requirement may incentivize Mission Value Partners to cause a Client Account to hold an investment for longer than three years in order for the general partner to obtain a preferential tax rate on carried interest, even if there are attractive realization opportunities prior to that time. Further, there are currently administrative and legislative proposals to further change the tax treatment of “carried interest” in ways that may be adverse to owners of the Manager. Mission Value Partners may take these potential adverse consequences into account in their management and operation of the Client Accounts and in addressing these adverse consequences, the interests of Mission Value Partners may diverge from the interests of the investors.

Conflicts of Interest.

Conflicts Generally. Mission Value Partners and the other service providers of the Client Accounts will, from time to time, act in similar capacities for, or carry out other functions as may be required in relation to, or be otherwise involved in or with, other companies and clients which have similar investment objectives to those of a Client Account with other businesses in general. Mission Value Partners and the Client Accounts’ other service providers will, from time to time, conduct business with institutions that invest, or whose clients invest, in Client Accounts. It is therefore possible that any of them will, from time to time, have potential conflicts of interest with certain Client Accounts. Mission Value Partners will, at all times, have regard in such event to its obligations to the Client Accounts and will endeavor to ensure that such conflicts are resolved fairly. In addition, any of the foregoing will under certain circumstances deal, as principal or agent, with a Client Account for a Client Account’s account, provided that such dealings are carried out as if effected on normal commercial terms negotiated on an arm’s length basis.

Mission Value Partners will, from time to time, need to forego certain business arrangements that would otherwise benefit a Client Account in order to avoid conflicts of interest.

Management of the Client Accounts. The employees, partners, members, managers and/or principals of Mission Value Partners are not obligated to devote their full time to any particular Client Account, but will devote such time as they, in their sole discretion, deem necessary or appropriate to carry out the operations of each Client Account effectively. Mission Value Partners and the other service providers of the Client Accounts do not have any duty to account for profits derived from their other activities.

Mission Value Partners will, in certain circumstances, provide investment advice to clients that will have similar investment strategies. In addition, Mission Value Partners, its affiliates and the partners, members, managers and/or principals thereof will, from time to time, have investments in the Mission Funds or other Client Accounts or interests in the performance of the Mission Funds or other Client Accounts which pose conflicts of interest. Conflicts of interest among Client Accounts will, from time to time, exist, which include, but are not limited to, those described herein.

Cross-Investments. Purchase and sale orders generally will be combined for accounts managed by Mission Value Partners, with each entity paying its pro rata share of the total commission and paying or receiving its pro rata share of the total cost or sales proceeds. From the standpoint of a Client Account, simultaneous identical portfolio transactions for the Client Account and any other Client Accounts will, under certain circumstances, decrease the prices received, and increase the prices required to be paid, by such Client Account for its portfolio sales and purchases.

There will, under certain circumstances, be a conflict of interest in the allocation of investment opportunities among Client Accounts. To fulfill Mission Value Partners' fiduciary duties to each of the Client Accounts, Mission Value Partners intends to allocate investment opportunities in a manner that is fair and equitable over time and is consistent with each of the Client Account's investment objectives and strategies so that none is disadvantaged in relation to the other or to any other client. Although Mission Value Partners intends to allocate investment opportunities in a manner that is in the collective best interests of all the entities and clients involved, Mission Value Partners will from time to time, however, allocate an investment opportunity wholly or primarily to certain Client Accounts, with other Client Accounts being unable to participate in such investment opportunity or participating only on a limited basis. Mission Value Partners generally is not under any obligation to share any investment, idea or strategy with any Client Account.

A Client Account could be disadvantaged because of activities conducted by Mission Value Partners for the other Client Accounts as a result of, among other things, legal restrictions on the combined size of positions that will under certain circumstances be taken for all accounts managed by Mission Value Partners, thereby limiting the size of such Client Account's position, and the difficulty of liquidating an investment for more than one account where the market cannot absorb the sale of the combined positions. In addition, there have been and may in the future be circumstances under which Mission Value Partners will consider participation by other

Client Accounts in investment opportunities in which Mission Value Partners does not intend to invest, or intends to invest only on a limited basis, on behalf of a certain Client Account. Mission Value Partners will evaluate for each Client Account a variety of factors that may be relevant in determining whether a particular situation or strategy is appropriate and feasible for a Client Account at a particular time, including the nature of the investment opportunity taken in the context of the other investments at the time, the liquidity of the investment relative to the needs of the particular entity or client, the investment or legal, regulatory or tax limitations on the particular entity and the transaction costs involved. Because these considerations will from time to time differ for each Client Account in the context of any particular investment opportunity, investment activities of each Client Account may differ considerably from time to time.

A particular investment will, under certain circumstances, be bought or sold for only one Client Account or in different amounts and at different times for more than one but less than all clients even though it could have been bought or sold for other clients at the same time. Likewise, investments will, under certain circumstances, be bought for a Client Account when one or more other clients are selling such investment, including clients managed by the same investment team. In addition, purchases or sales of the same investment will under certain circumstances be made for two or more clients on the same date.

Client Accounts may from time to time receive less (or more) of a certain investment than they would otherwise receive if Mission Value Partners did not have a conflict of interest among clients. In effecting transactions, it will not always be possible, or consistent with the investment objectives of each Client Accounts, to take or liquidate the same investment positions at the same time or at the same prices. For example, Mission Value Partners may or may not have a Client Account with new or additional investment capital purchase an equal percentage of a particular investment.

Furthermore, Mission Value Partners provides advisory services to separately managed accounts that have in the past and may in the future also become investors in a particular Mission Fund. Mission Value Partners will only recommend an investment in a Mission Fund to its separately managed account clients based upon the investment objectives, strategies, and suitability of such clients. In addition, Mission Value Partners has in the past and may in the future be compensated differently by the Mission Funds as compared to its separately managed accounts. Conflicts of interest will under certain circumstances arise because of Mission Value Partners' concurrent fiduciary duties to each Mission Fund and Client Account.

A Client Account or Mission Value Partners will under certain circumstances make information about such Client Account's portfolio positions available to unrelated third parties. These third parties may use that information to provide additional market analysis and research to Mission Value Partners. Mission Value Partners will under certain circumstances use that market analysis and research to provide investment advice to clients other than such Client Account.

Conflicting Interests of Investors. The Mission Funds are expected to have a diverse range of investors that will from time to time have conflicting interests that stem from differences in investment preferences, tax status and regulatory status. Mission Value Partners

will consider the objectives of each Mission Fund as a whole, and not necessarily that of any investor or any group of investors, when making decisions with respect to the selection, structuring and sale of portfolio investments. However, such decisions will from time to time be more beneficial for one investor than for another investor.

Transactions with Affiliates. The governing agreement of each Client Account allows the Client Account to participate in transactions in which Mission Value Partners (or its employees, members and/or principals) or any investor is directly or indirectly interested. In connection with such transactions, a Client Account, on the one hand, and Mission Value Partners, its employees, members and/or principals, on the other hand, will under certain circumstances have conflicting interests. Mission Value Partners will, from time to time, also face conflicts of interest in connection with purchase or sale transactions (involving an investment by a Client Account) with an affiliate of a Client Account (including other Client Accounts), including with respect to the consideration offered by, and the obligation of, Mission Value Partners and such other affiliate.

Mission Value Partners may, under certain circumstances, cause a Client Account to engage in agency, agency cross, principal and other related party transactions with affiliates to the extent permitted by and in accordance with applicable securities laws.

Personal Trading. The governing agreements of the Client Accounts do not prohibit Mission Value Partners or its employees, members, managers and/or principals from buying or selling securities or commodity interests for their own account. The records of any such trades by Mission Value Partners, or its employees, members and/or principals will not be open to inspection by investors. However, Mission Value Partners maintains compliance policies and procedures including personal trading policies that are designed to reduce potential conflicts of interest and substantially curtail the ability of employees to engage in personal trading.

Rebalancing Transactions. Although certain Clients Accounts will from time to time pursue investment objectives that are similar to those of other Client Accounts, the portfolios of such Client Accounts may differ as a result of purchases and withdrawals being made at different times and in different amounts, as well as because of different tax and regulatory considerations. Mission Value Partners will under certain circumstances allocate investments among the Client Accounts on other than a pro rata basis to take into account withdrawals and contributions to each Client Account. As a result of these factors, the performance of the Client Accounts will from time to time diverge.

Certain Client Accounts may, in Mission Value Partners' sole discretion, enter into "rebalancing" transactions with other Client Accounts. The purpose of such rebalancing transactions, if consummated, would be to bring each Client Account's exposure to a commonly held investment into line with each Client Account's percentage of total equity under management. However, even if engaged in generally, certain investments will not be subject to "rebalancing" transactions between certain Client Accounts.

Service on Boards of Directors of Public Corporations. Certain investment professionals of Mission Value Partners may, under certain circumstances, serve on boards of directors of public corporations. In certain circumstances, such services may restrict Mission Value Partners' ability to make investments that otherwise would be in a Client Account's interests.

While the Manager endeavors to resolve all conflicts in a fair and impartial manner, there can be no assurance that its own interests will not influence its conduct and decisions. There can be no assurance that the Manager will identify or resolve all conflicts in a manner that is favorable to a Client Account and investors may not be entitled to receive notice or disclosure of the actual occurrence of conflicts or have any right to consent to them as they arise.

C. Recommendation of a Particular Type of Security

We do not recommend any particular type of security. There are no material limitations to the types of securities in which we may invest our clients (subject to anything to the contrary in the relevant investment advisory agreement, offering document, or organizational documents of a particular client).

**ITEM 9
DISCIPLINARY INFORMATION**

To the best of our knowledge, there are no legal or disciplinary events that are material to our clients' evaluation of our advisory business or the integrity of our management.

**ITEM 10
OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

A. Broker-Dealer Registration

The Manager and its management personnel are not registered as broker-dealers and do not have any application pending to register with the SEC as a broker-dealer or registered representative of a broker-dealer.

B. Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor Registration

The Manager and its management personnel are not registered as futures commission merchants ("FCM"), commodity pool operators ("CPO"), and commodity trading advisors ("CTA") with the Commodity Futures Trading Commission ("CFTC") and do not have any application pending to register with the CFTC or the National Futures Association as a FCM, CPO, CTA, or an associated person of a FCM, CPO, or CTA.

C. Material Relationships and Conflicts of Interests with Industry Participants

Our relationships and arrangements with our Client Accounts are material to our advisory business. We have in the past and may in the future not offer one of the Mission Funds the opportunity to participate in certain transactions or investments made by the other. Further, one of the Mission Funds may participate in a transaction or investment through a different investment structure or may invest in different instruments of the issuer that is the subject of the transaction or investment. To fulfill our fiduciary duties to each of the Mission Funds, we intend

to allocate investment opportunities in a manner that is fair and equitable over time and is consistent with each of the Mission Funds' investment objectives and strategies so that neither is disadvantaged in relation to the other or to any other client.

In addition to our service to the Mission Funds, we provide investment advice to, carry out other functions for, and otherwise are involved with other companies and other clients, such as the Managed Accounts. Our Client Accounts have similar investment objectives. Nevertheless, we have in the past and may in the future manage each or any of our Client Accounts differently. Each of the Client Accounts can utilize investment strategies that are similar to or different from other Client Accounts and subject to fees payable to us that are different from the fees paid to us with respect to other Client Accounts. Conflicts of interest have in the past and may in the future arise because of our concurrent fiduciary duties to each of the Client Accounts.

We have in the past and may in the future conduct business with institutions that invest, or whose clients invest, in the Mission Funds. In addition, we, our affiliates, and the partners, members, managers, directors, and principals of those affiliates have in the past and may in the future have financial investments in other clients or interests in the performance of other clients. It is therefore possible that we will have conflicts of interest with one or all of the Mission Funds or with any of the Managed Accounts. We will abide, at all times, by our contractual and fiduciary obligations to each of our clients and will endeavor to ensure that such conflicts are resolved fairly.

There have been conflicts of interest in the allocation of investment opportunities between each of the Client Accounts. As a general matter, we intend to allocate investment opportunities between the Mission Funds, between the Mission Funds and the Managed Accounts, and between each of the Managed Accounts in a manner that is in the collective best interests of all the entities and clients involved. We have in the past and may in the future, however, allocate an investment opportunity wholly or primarily to one or more Client Account, and, therefore, other Client Accounts will be unable to participate in such investment opportunity or participate only on a limited basis. We are generally not under any obligation to share any investment, idea, or strategy with any of our clients.

Any of our Client Accounts could be disadvantaged because of our activities on behalf of any of the other Client Accounts. For instance, the size of one or all of the Mission Funds' or each or all of the Managed Accounts' position in an investment have in the past and may in the future be limited because of the legal restrictions on the size of combined positions that we may take on behalf of all of the accounts we manage. In addition, we have in the past and may in the future choose not to offer an investment opportunity to each or all of the Client Accounts because the market may not be able to absorb the sale of combined positions in illiquid investments. Further, there have been and may in the future be circumstances under which we will consider participation by one or more Client Accounts in investment opportunities in which we do not intend to invest, or intend to invest only on a limited basis, on behalf of one or more of the Client Accounts. We will evaluate a variety of factors that may be relevant in determining whether a particular situation or strategy is appropriate and feasible for one or more of the Client Accounts at a particular time. These factors include the nature of the investment opportunity, taken in the context of the other current investments, the liquidity of the investment relative to the needs of the particular entity or client, legal, regulatory, or tax limitations on the particular client, and the

transaction costs involved. Because these considerations can differ for each of the Client Accounts, investment activities of each of the Client Accounts, in the context of any particular investment opportunity, could differ considerably from time to time.

We have in the past and may in the future buy or sell a particular investment for only one of the Mission Funds or for none of the Mission Funds but for one or more of the Managed Accounts. Likewise, we have in the past and may in the future buy or sell a particular investment for only one of the Managed Accounts or for none of the Managed Accounts but for one or more of the Mission Funds. We have in the past and may in the future buy or sell different amounts of a particular investment, at different times, for some but not all of the Client Accounts, even if the investment could have been bought or sold for other Client Accounts at the same time. Likewise, we have in the past and may in the future buy a particular investment for one Client Account at the same time that we are selling the same investment on behalf of another Client Account, including clients managed by the same investment teams. In addition, we have in the past and may in the future buy or sell the same investment for two or more Client Accounts on the same date.

Our clients sometimes receive less (or more) of a certain investment than they would otherwise receive if we did not have a conflict of interest among clients. In effecting transactions, it is not always possible, or consistent with the investment objectives of our various clients, to take or liquidate the same investment positions at the same time or at the same prices. For example, we have in the past and may in the future not have a Client Account with new or additional investment capital purchase an equal percentage of a particular investment.

In addition, in the future we may sponsor other investment funds or manage separately managed accounts that either co-invest with the Mission Funds or follow investment programs similar to or different from the Mission Funds. Further, in the future we may utilize alternative structures, such as a “master-feeder” structure, whereby each of the Mission Funds would invest in a master fund that would hold the assets currently held by each of the Mission Funds and any other Managed Accounts.

Furthermore, we provide advisory services to Managed Accounts which have in the past and may in the future also become limited partners or shareholders, as applicable, in the Mission Funds. We will only recommend an investment in the Mission Funds to our Managed Account clients, as appropriate, based upon the investment objectives, strategies, and suitability of such clients.

For the avoidance of doubt, Mr. McDermott is the individual responsible for managing and investing the assets of the Mission Funds, as well as each of the Managed Accounts. We (and thus, Mr. McDermott) are compensated differently by the Mission Funds and the Managed Accounts. Conflicts of interest arise because of Mr. McDermott’s concurrent fiduciary duties to the Mission Funds and each of the Managed Accounts. For a detailed discussion of the conflicts of interest that may arise because of fee structures and fee arrangements, please see Item 6, “Performance-Based Fees and Side-By-Side Management,” above.

D. Material Conflicts of Interest Relating to Other Investment Advisers

We do not recommend or select other investment advisers for our clients.

ITEM 11
CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS
AND PERSONAL TRADING

As a fundamental mandate, we demand the highest standards of ethical conduct and care from all of our employees and officers. Our employees must abide by this basic business standard and must not take inappropriate advantage of their position. Each employee is under a duty to exercise his or her authority and responsibility for our benefit and for the benefit of our clients and cannot have outside interests that inappropriately conflict with our interests or those of our clients. Each employee must avoid circumstances or conduct that adversely affect or that appear to adversely affect us or our clients.

A. Code of Ethics

Pursuant to Rule 204A-1, promulgated under the Investment Advisers Act, we have adopted a code of ethics to establish applicable policies, guidelines, and procedures that promote ethical practices and conduct by all of our employees and officers and to prevent violations of the Investment Advisers Act and the Investment Company Act (the “Code of Ethics”).

Our Code of Ethics requires all of our employees to adhere to the highest ethical standards when discharging their investment advisory duties to clients or conducting general business activity on our behalf in every possible capacity, such as investment management, administration, dealings with service providers, confidentiality of information, and financial matters of every kind. Accordingly, the Code of Ethics sets forth policies that are designed to reasonably assure that the high ethical standards that we maintain continue to be applied, deter misconduct by employees, and protect clients and investors in the Client Accounts that we manage. The Code of Ethics prohibits certain activities and personal financial interests and requires disclosure of certain personal investments and related business activities of employees. In addition, the Code of Ethics requires all employees to have an obligation and a responsibility to conduct business in a manner that maintains the trust and respect of fellow employees, our clients, their investors, our business counterparties, and the general public.

We will provide a copy of our Code of Ethics, free of charge, to any client or investor and prospective client or prospective investor upon request. Our Code of Ethics may be requested by contacting our Chief Compliance Officer, Nicole Dunderdale, at 707-750-3337 or nicole@missionvalue.com.

B. Recommending, Buying, or Selling Securities in which We or a Related Person Have a Material Financial Interest, Invest, or Buy or Sell at the Same Time; Conflict of Interests

In appropriate circumstances, we have in the past and may in the future cause client accounts over which we have investment authority to effect the purchase or sale of securities, or related securities such as warrants, options, or futures, in which our advisory personnel, our other clients, or we, directly or indirectly, have a position of interest. We have also recommended that our clients or prospective clients purchase or sell such securities. Nevertheless, we anticipate

that we will rarely invest client assets in the same or related securities in which we, or our related persons, are invested. There have been circumstances in which we recommend to clients, or buy or sell for Client Accounts, securities in which our related persons, our other clients, or we, have a position of interest. Such purchases and sales may occur at or about the same time that we buy or sell the same security for our own account or our related persons buy or sell the same security for their own accounts.

We act as the general partner of the Mission Funds, partnerships in which we solicit client investments. We have recommended that our clients invest in the Mission Funds based upon the investment objectives, strategies, and suitability of such clients. While our clients have in the past and may in the future choose to invest in the Mission Funds based on our recommendation, we will not use our investment discretion to invest the assets of our Managed Account clients into the Mission Funds on such clients' behalf. Further, two of our related persons, Mr. McDermott and Mr. John Buford have personally invested in the Global Fund, one of our related persons, Yohei Yamada, has personally invested in the Japan Fund.

We do not, and our related persons do not, act as an investment adviser to an investment company that we recommend to our clients.

Conflicts of interest have in the past and may in the future occur when we, or our related persons, invest in the same securities that we recommend to our clients and when we, or our related persons, trade in the same security at or about the same time. As discussed above, we expect these situations to occur infrequently. For example, theoretically we may seek to sell the securities we hold, while simultaneously recommending that our clients maintain their position in the security. A sale by our related persons or us, especially in smaller Japanese companies, would affect the liquidity of the securities that our clients continue to hold. The Manager has established policies and procedures around personal trading requiring all personal equity trading to be pre-approved by compliance to mitigate the risks associated with personal trading in securities held by client accounts. Similar conflicts of interests regarding management and control would occur if we recommend that our Managed Account clients invest in the Mission Funds.

Cross-trades are transactions between two accounts managed by the same investment adviser. Regardless of whether a broker-dealer is engaged to effect the transaction, any trade between two or more managed accounts of an investment adviser is likely a cross-trade. An adviser may execute cross-trades on either an agency or a principal basis. In a principal transaction, an adviser, acting for its own account, buys a security from, or sells a security to, the account of a client. In an agency transaction, the Manager arranges a transaction between its clients. We have, subject to applicable law and investment advisory agreements, utilized market cross-trades when it is advantageous to do so, in our discretion, for specific client accounts. Market cross-trades involve simultaneous short and long positions through a major market exchange, with the short position allocated to a client account reducing its holdings in the security and the long position allocated to a client account increasing its position. Such a transaction can be referred to as a rebalancing trade.

We do not expect to engage in principal transactions. However, if we enter into any principal transactions or agency cross transactions with clients, we will do so in accordance with Section 206 of the Investment Advisers Act and the rules and regulations promulgated thereunder.

Personal Trading

Under our personal trading policies, our employees, such as our portfolio managers, who have access to nonpublic information regarding any client's purchases or sales of securities, are involved in making securities recommendations to clients, or have access to such recommendations that are not public, are permitted to acquire and sell securities so long as the employee obtains a written preclearance from the Chief Compliance Officer. Once pre-clearance is obtained it shall be valid only for the day on which it was granted and for 1 business day thereafter. The trading window can be extended beyond 1 business day by the Compliance Officer if the compliance officer deems a longer window is appropriate. The Compliance Officer may deny or revoke preclearance for any reason. In no event will preclearance be granted for any security if, to the knowledge of the Compliance Officer, Mission Value Partners has a buy or sell order pending for that same security or a closely related security (such as an option relating to that security, or a related convertible or exchangeable security). If the compliance officer is not available to review and approve pre-clearance requests, the President will perform the process described above and approve or deny the preclearance request. In addition, our employees must submit an initial and an annual holdings report to our Chief Compliance Officer disclosing the securities in which the employee or a member of the employee's family or household have beneficial ownership. The employee must also list the brokers, dealers, and banks where the employee or a member of the employee's family or household maintain an account. Further, every employee must submit a quarterly transaction report to our Chief Compliance Officer disclosing all transactions in securities in which the employee or a member of the employee's family or household had beneficial ownership.

Our management believes restricting our employees' personal trading is one way of avoiding conflicts of interest between our clients and our employees. Our personal trading policies are part of our Code of Ethics.

We and our employees and affiliates will sometimes give advice and take action for some clients that can differ from advice given, or the timing or nature of actions taken, for other clients or for their proprietary or personal accounts.

ITEM 12 BROKERAGE PRACTICES

A. Selection of Broker-Dealers and Reasonableness of Compensation

Subject to the policies that have not in the past but may in the future be established by any of our clients, we will be primarily responsible for selecting brokers and dealers to execute transactions with respect to the publicly traded securities in our clients' portfolios and for allocating brokerage commissions. We currently execute most of our transactions through two broker-dealers as we believe they provide the best net results for our clients under the circumstances. We review these Broker-Dealers performance and cost regularly and will take into account factors such as (i) price (including the applicable brokerage commission or dealer spread); (ii)

execution capabilities of the broker-dealers (including accurate and timely execution, clearance, and error/dispute resolution); (iii) research (including economic forecasts, investment strategy advice, fundamental and technical advice on individual securities, valuation advice, and market analysis); (iv) other services (including reporting and technology) provided by such broker-dealers, which are expected to enhance our general portfolio management capabilities; (v) size of the transaction; (vi) difficulty of execution; (vii) operational facilities of the broker-dealers involved; (viii) risk in positioning a block of securities; (ix) reputation; (x) financial strength and stability; and (xi) quality of the overall brokerage and research services provided by this and other broker-dealers. We generally seek to have our clients pay the lowest commission rate available to obtain the quality of execution that we deem necessary for the applicable transaction. As noted above, however, we consider other factors besides commission rates when selecting broker-dealers. For example, at times we will receive research reports from brokers and our portfolio managers will consult with brokers' analysts. Accordingly, we do not always obtain the lowest commission rates available.

Research and Other Soft Dollar Arrangements Subject to applicable legal requirements and consistent with Section 28(e) of the Securities and Exchange Act of 1934, as amended, and as permitted by a particular client's investment advisory agreement, offering document, or organizational documents, we do not currently but have in the past and may in the future select a broker based upon brokerage or research products or services provided to us. Such products and services may include, but are not limited to, economic forecasts, investment strategy advice, written reports, fundamental advice on individual securities, valuation advice, and market analysis. Such products and services include both proprietary research created or developed by the broker-dealer and research created or developed by a third party. Research services received from broker-dealers are supplemental to our own research efforts, and, when utilized, are subject to internal analysis before being incorporated into our investment process. In return for these "soft-dollars" and other benefits and services, our clients would pay a higher commission (or markup/markdown) than other brokers would charge. We could nevertheless choose to engage a broker-dealer charging a higher commission - a practice referred to as "paying-up" - if we determine in good faith that such commission is reasonable in relation to the services provided.

If we were to use client brokerage commissions (or markups/markdowns) to obtain research or other products or services, we would receive a benefit because we would not have to produce or pay for the research, products, or services. The receipt of research and other "soft-dollar" benefits from broker-dealers would provide an incentive for us to select or recommend a broker-dealer based on our interest in receiving the research or other products or services, rather than on our clients' interest in receiving the most favorable execution. We would only use "soft-dollars" to service the account of the client that paid for those benefits; in the event a client does not approve the use of "soft-dollars," or a particular type of "soft-dollar," we would not use "soft-dollars" to service that client's account(s). Similarly, we would seek to allocate "soft-dollars" to client accounts proportionately to the "soft-dollar" credits generated by each account.

Brokerage for Client Referrals. In selecting or recommending broker-dealers, we do not consider whether we, or any of our affiliates, receive client or investor referrals from a broker-dealer or other third party.

Directed Brokerage. We do not recommend, request, or require that our clients direct us to execute transactions through a specified broker-dealer. Each client's investment advisory agreement generally grants us the full authority to determine, without obtaining the client's consent or consulting with the client on a transaction-by-transaction basis, the broker-dealers through whom all transactions will be executed. We nevertheless have not in the past but may in the future permit our managed account clients to direct us to execute some or all of the transactions for their accounts through a specified broker-dealer (subject to our right to decline or terminate the engagement with such broker-dealer). In such event, the client will negotiate terms and arrangements for such client's account with that broker-dealer. By directing transactions to certain broker-dealers, we may be unable to achieve the most favorable execution of client transactions and this practice may cost our clients more money. As a result, clients who have elected to direct brokerage may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices than would otherwise be the case. In a directed brokerage account, we may not be able to aggregate orders to reduce transaction costs and our clients may receive less favorable prices.

B. Aggregating Orders for Various Client Accounts

We aggregate the purchase and sale of securities for various client accounts to ensure that our clients are afforded fair and equitable treatment when aggregating and allocating client trade orders. In executing brokerage transactions, we generally seek to aggregate client trade orders for the same security into a single trade order, when we believe that doing so will improve trade execution. We will allocate each client who participates in an aggregated order its portion of the trade, on an average price basis, when the trade is completed. Aggregated trading can improve trade execution by, for example, enabling volume discounts on brokerage commissions or costs.

As a general principle, we will only aggregate transactions when we believe that such an aggregation is lawful and consistent with our duty to seek best execution for our clients and with the pertinent disclosure we have previously made to our clients or any arrangement we have with our clients. In such cases, individual investment advice and treatment will be accorded to each client and we will not receive any additional compensation or remuneration of any kind because of the proposed aggregation. The securities of clients whose orders are aggregated will be deposited with one or more custodian banks or broker-dealers, and neither the cash nor securities will be collectively held any longer than is necessary to settle the purchase or sale in question on a delivery versus payment basis. Cash or securities held collectively for clients will be delivered out to the custodian bank or broker-dealer as soon as a practicable following the settlement.

ITEM 13 REVIEW OF ACCOUNTS

A. Periodic Review of Client Accounts

We review each of our clients' accounts at least weekly to ensure conformity with each client's investment style and appropriate asset allocation, and to monitor changes to the performance of individual securities. Reviews also include the monitoring of cash and cash equivalent positions

and position limits within each client's account. Our Chief Financial Officer and portfolio manager, Mr. McDermott, conduct the periodic reviews.

B. Additional Review of Client Accounts

In addition to weekly reviews, we also review our clients' accounts when we are notified, among other things, of changes in a client's objectives, guidelines, or financial circumstances and when a client withdraws from or adds assets to its account.

C. Contents and Frequency of Account Reports to Clients

Each underlying investor in each of the Mission Funds receive a monthly written report summarizing the current value of the account, as of the end of the month, including month-to-date and year-to-date performance information. In addition, U.S. taxable investors in the Mission Funds shall generally receive Schedule K-1s by March 31 of each year. All investors shall receive audited financial statements of the Mission Funds in which they are invested (prepared in accordance with generally accepted accounting practices) within 120 days of the fiscal year-end. If we distribute different or more frequent performance information to an underlying investor in a Mission Fund, we will make such information available to all investors in the Mission Funds if requested, as applicable. Likewise, we furnish each of the managers of the Managed Accounts such information and that the manager reasonably requires to carry out its obligations. This can include monthly, quarterly, and annual reports, where appropriate.

**ITEM 14
CLIENT REFERRALS AND OTHER COMPENSATION**

A. Economic Benefits for Providing Services to Clients

We do not receive an economic benefit from anyone other than our clients for providing investment advice or other advisory services to our clients.

B. Compensation to Non-Supervised Persons for Client Referrals

The Manager does not currently compensate any person who is not our supervised person for client referrals.

**ITEM 15
CUSTODY**

Item 15 is not applicable to the manager.

**ITEM 16
INVESTMENT DISCRETION**

At the outset of an advisory relationship, we receive discretionary authority from a client to select the identity and amount of securities to be purchased and sold by the client. For example, we will have investment discretion to manage securities accounts on behalf of the Mission Funds

and the Managed Accounts. In all cases, we exercise this investment discretion in a manner consistent with the stated investment objectives of the particular client.

When selecting securities and determining amounts of investments, we observe the investment policies, limitations, and restrictions of the clients we advise, as stated in the applicable investment advisory agreement or other applicable agreements. Our clients can, and customarily do, place limitations on our investment authority, including, without limitation, designating types of permitted investments or the percentage of permitted investments, or prohibiting certain types of investments.

Our clients must provide us with investment guidelines and restrictions in writing. Additionally, we usually require that our clients, including the Mission Funds and the clients whose assets we manage in the Managed Accounts, exercise a power of attorney in our favor.

For a complete discussion of our advisory business and the services we provide to our clients, please see Item 4, “Advisory Business,” above.

ITEM 17

VOTING CLIENT SECURITIES

We have, and in the future will continue to accept, the authority to vote our client’s securities. As such, we have adopted policies and corresponding procedures to comply with Rule 206(4)-6 promulgated under the Investment Advisers Act and with our fiduciary obligations (the “Proxy Voting Policies”). The Proxy Voting Policies apply to voting securities held by our clients and have been designed to ensure that we vote proxies in the best interest of our clients holding such securities.

When voting proxies on behalf of our clients, our primary objective is to make decisions in the best interest of our clients. In fulfilling our obligations to our clients, we will act in a manner deemed to be prudent and diligent to enhance the economic value of the underlying securities held by each of our clients. In acting upon these matters on behalf of our clients, we will seek to avoid material conflicts of interest between our interests and the interests of our clients.

Mr. McDermott, as portfolio manager, is responsible for making all proxy voting decisions in accordance with the Proxy Voting Policies while our Chief Compliance Officer is responsible for facilitating the voting and monitoring the effectiveness of the Proxy Voting Policies.

It is our policy to generally delegate proxy voting decisions and procedures to Institutional Shareholder Services (“ISS”). If an ISS recommendation is contrary to our policies, or if it would be in the best interest of a client, we will vote contrary to a recommendation of ISS. Our Chief Compliance Officer shall document any proxy that is not voted in accordance with a recommendation of ISS and shall document the rationale for such vote.

Pursuant to investment advisory agreements, the Managed Accounts have not in the past but may in the future direct how we vote in a particular solicitation. The Mission Funds, however, cannot direct how we vote on a particular solicitation.

When deciding how to vote proxies certain conflicts of interest may arise. For example, portfolio companies held by different clients may be competing for or involved in similar transactions, investments, or lines of business. Voting a proxy with regard to one client's portfolio company may adversely affect the prospects or business of another client's portfolio company. In acting upon these matters on behalf of our clients, we will seek to avoid material conflicts between our interests on the one hand and the interests of our clients on the other. By delegating voting decisions and procedures to ISS, we allow a disinterested third party, without conflicting obligations and duties, to determine how our clients' securities will be voted.

We will maintain proper records in connection with our Proxy Voting Policies, as required under the Investment Advisers Act. Our clients can obtain a copy of our Proxy Voting Policies and information on how we have voted proxies by contacting us at 707-750-3337 or operations@missionvalue.com.

ITEM 18

FINANCIAL INFORMATION

A. Balance Sheet

We are not required to attach a balance sheet because we do not require or solicit the payment of fees six months or more in advance.

B. Contractual Commitments to Our Clients

We have no financial condition that is reasonably likely to impair our ability to meet contractual and fiduciary commitments to our clients.

C. Bankruptcy Petitions

We have never been the subject of a bankruptcy petition.