

**Item 1 - Cover Page**

**Decathlon Capital Management II, LLC**

**CRD# 175030**

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**March 29, 2024 Brochure**

This brochure (the “Brochure”) provides information about the qualifications and business practices of Decathlon Capital Management II, LLC (“Decathlon”). If you have any questions about the contents of this Brochure, please contact us at 435-200-1051 or [spencer@decathloncapital.com](mailto:spencer@decathloncapital.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 authority.

Additional information about Decathlon also is available on the SEC’s website at  
**[www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov)**.

## **Item 2 - Material Changes**

On July 28, 2010, the SEC published "Amendments to Form ADV" which amends the disclosure document that advisers provide to clients as required by SEC rules. This Item 2 will discuss only specific material changes that are made to the Brochure and will provide clients with a summary of such changes. We will also reference the date of our last annual update of our Brochure. We will further provide you with a new Brochure as necessary based on changes, new information, or at your request, at any time, without charge.

No material changes have been made to our Brochure since the last annual amendment on March 30, 2023.

### Item 3 - Table of Contents

	Page
Item 1 - Cover Page.....	1
Item 2 - Material Changes.....	2
Item 3 - Table of Contents.....	3
Item 4 - Advisory Business .....	4
Item 5 - Fees and Compensation.....	6
Item 6 - Performance-Based Fees and Side-By-Side Management.....	12
Item 7 - Types of Clients.....	13
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss.....	13
Item 9 - Disciplinary Information.....	16
Item 10 - Other Financial Industry Activities and Affiliations.....	16
Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	18
Item 12 - Brokerage Practices.....	19
Item 13 - Review of Accounts.....	20
Item 14 - Client Referrals and Other Compensation .....	20
Item 15 - Custody.....	20
Item 16 - Investment Discretion .....	21
Item 17 - Voting Client Securities.....	21
Item 18 - Financial Information.....	21
Item 19 - Requirements for State-Registered Advisers .....	21

## **Item 4 - Advisory Business**

### General Information

Decathlon Capital Management II, LLC is a Delaware limited liability company with its principal place of business in Utah. Decathlon was organized in 2013.

### Decathlon Clients Investment Advisory Services

Decathlon and Decathlon Capital Partners, LLC (the “Relying Adviser”), a related entity that is under the common control of Decathlon, each provide – or may provide in the future, in the case of the Relying Adviser – investment advisory services to private investment vehicles. Decathlon and the Relying Adviser collectively conduct a single advisory business, are subject to the same code of ethics and set of written policies and procedures and are together filing a single Form ADV using umbrella registration. Accordingly, all references to “Decathlon” in this Brochure include the Relying Adviser.

Decathlon provides investment advisory services to the following five private investment vehicles: (i) Decathlon Alpha II, L.P. (“Fund II”); (ii) Decathlon Alpha III, L.P. (“Fund III”); (iii) Decathlon Alpha IV, L.P. (“Fund IV”); (iv) Decathlon Alpha V, L.P. (“Fund V”); and (v) Decathlon Alpha Social Equality Fund, L.P. (“SEF”, each a “Fund” and collectively, the “Funds”).

Decathlon also provides investment advisory services to Decathlon Specialty Finance, LLC (“DSF”), including its wholly-owned subsidiary Decathlon Growth Credit, LLC (“DGC”, together with DSF and the Funds, each a “Client”, and collectively, the “Clients”). The owners of DSF are all employees of Decathlon and the interests of DSF are not currently being offered to others. DSF and its subsidiary DGC provide credit financing with loans being originated with DSF and simultaneously sold to DGC.

Each Client is not required or exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”), and each Client’s securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”).

As the investment adviser of each Client, Decathlon, along with each Client’s general partner (each, a “General Partner”) or Managing Members, identifies investment opportunities for, and participates in the acquisition, management, monitoring and disposition of investments of, the Clients.

Decathlon seeks to provide equity-replacement funding to established, expansion-stage businesses exhibiting positive revenue growth rates, recurring revenue streams and modest current debt obligations, among other characteristics. The Clients’ investments are typically structured as high-yield secured debt obligations, at times subordinated to the rights of a senior creditor, to enhance returns and to provide downside protection. Although the primary focus of each of the Clients is on revenue-based financing structures, Decathlon may from time to time recommend other types of investments consistent with the respective Client’s investment strategy and objectives, as set forth in its offering documents.

In carrying out and implementing the investment objectives and strategies of the Clients, Decathlon is authorized and empowered (i) to engage consultants, independent attorneys, independent accountants or such other persons as it may deem necessary or advisable; (ii) to receive, buy, sell, exchange, trade and otherwise deal in and with securities and other property of each Client; (iii) to open, maintain and close bank accounts; (v) to enter into, make and perform such contracts, agreements and other undertakings, and to do such other acts, as it may deem necessary or advisable,

or as may be incidental to or necessary for the conduct of the business of each Client; (vii) to commence or defend litigation that pertains to each Client; (viii) to file on behalf of each Client all required local, state and federal tax returns and other documents relating to the Client; and (ix) to oversee and carry out the investment, divestment and management of each Client's portfolio investments.

Decathlon provides investment advisory services to each of the Clients pursuant to the terms of a separate investment advisory / management / servicing agreement or, in the case of each Fund, the Fund's limited partnership agreement (each, "Fund Agreement"). Investment advice is provided by Decathlon directly to the Clients, subject to the direction and control of the affiliated General Partner or Managing Members of such Client and not individually to the investors in the Clients. Any restrictions on investments in certain types of securities are established by the General Partner or Managing Members of the applicable Client and are set forth in the documentation received by each investor prior to investment in such Client. Once invested in a Client, investors cannot impose restrictions on the types of securities in which such Client may invest. Currently there are no restrictions on the types of securities in which a Client may invest.

#### Type and Value of Assets Currently Managed

All of Decathlon's investment advisory services are provided on a discretionary basis. As of December 31, 2023, Decathlon managed \$427,554,177 in regulatory Client assets under management.

#### Principal Owners

Decathlon's principal owners are John Borchers, Wayne Cantwell and Spencer Thunell (the "Principals").

*John Borchers.* John co-founded Decathlon and is one of two Managing Directors. Prior to Decathlon, John spent 15 years with Crescendo Ventures ("Crescendo"), where he was involved in the development of over 30 emerging growth businesses as an investor, director or advisor. At Crescendo, John focused on investments in the software and technology-enabled service markets and also played a leading role in developing Crescendo's international presence that included three years of work in Crescendo's London office. Prior to joining Crescendo, John worked in the data warehousing and predictive analytics fields. He held various operational roles including a two-year posting to Sydney, Australia, where he opened the first Asia-Pacific office for a U.S.-based data-warehousing firm. John was also the founding venture member of the Masterminds Forum, an invitation-only group of Chief Investment Officer and Vice President-Level Information Technology thought-leaders from Fortune 200 companies. John received his MBA from Harvard Business School and a bachelor's degree from the University of Richmond.

*Wayne Cantwell.* Wayne co-founded Decathlon and is one of two Managing Directors. Prior to Decathlon, Wayne spent nine years with Crescendo, where he focused on investments in the semiconductor, enterprise infrastructure and consumer-device markets. Before Crescendo, Wayne spent 18 years in various operating roles in software and semiconductor companies. He served as President and Chief Executive Officer of Soisic SA, a French startup in the semiconductor intellectual property licensing business that was sold to ARM Holdings. Prior to Soisic SA, Wayne served as President and Chief Executive Officer of inSilicon Corporation, where he led the company through a very successful initial public offering and several acquisitions. Before assuming the role of Chief Executive Officer at inSilicon Corporation, Wayne was responsible for overseeing Phoenix

Technologies' worldwide sales and field operations where he was responsible for sales and development teams in North America, Europe, and throughout Asia. Wayne has extensive international experience, having run operations in Japan, Taiwan, Korea, France and England. Prior to his role with Phoenix Technologies, Wayne held various sales and engineering positions with Intel Corporation and NEC Corporation. Wayne has been involved in over 20 early-stage companies in Board of Directors and Advisory Board roles during his 36-year career.

*Spencer Thunell.* Spencer is a Partner, and Decathlon's Chief Financial Officer and Chief Compliance Officer. Spencer has participated in the completion of ~\$800 million in financing and capital commitments over his career. Prior to joining Decathlon, Spencer spent four years as the Chief Financial Officer and Corporate Secretary of Crystal Peak Minerals Inc., a public company traded on Canada's TSX Venture Exchange (TSXV: CPM). At CPM, Spencer's responsibilities included oversight of FP&A, financial reporting, tax and regulatory compliance, internal controls, investor relations and capital markets. Prior to CPM, Spencer was the Chief Financial Officer of Land Equity Partners, LP and Land Equity Partners Fund II, LP – real estate private equity funds focused on land development in the Intermountain West region. Spencer began his career in public accounting with Ernst & Young in Palo Alto, California where he worked with both public and private company audit clients. Spencer holds bachelor's and master's degrees in accounting from the David Eccles School of Business at the University of Utah and is a licensed CPA in the State of California.

## **Item 5 - Fees and Compensation**

### **Fees for Client Investment Advisory Services**

As compensation for investment advisory services rendered to the Clients, Decathlon receives from each Client a management fee, as further described in each Client's offering documents (the "Management Fee") and as described generally below. Management Fees may differ from one Client to another, as well as among investors in the same Client. The fee structures described below may be modified from time to time.

*Decathlon Alpha II, L.P.* The Management Fee is paid quarterly in advance and is equal to 2.0% (the "Fee Rate") of the aggregate capital committed by all partners (not including the General Partner's capital commitment). For each successive twelve-month period following the end of the Commitment Period (as defined in Fund II's offering documents), (i) the Fee Rate will be equal to 1.0% for any period ending on or prior to the sixth anniversary of the end of the Commitment Period and (ii) the Fee Rate will be equal to 0% for any period commencing after the sixth anniversary of the end of the Commitment Period, except with respect to any extension year approved by Fund II's advisory committee, as provided in Fund II's offering documents. The Management Fee is deducted from the assets of Fund II. Management Fees paid by Fund II are indirectly borne by the investors in Fund II. Upon termination of Decathlon as the manager for Fund II, any paid but not yet earned Management Fees will be repaid to Fund II on a prorated basis. The Management Fee is generally subject to waiver or reduction by Fund II's General Partner in its sole discretion.

In addition, Fund II is responsible for its partnership expenses, which includes all costs and expenses relating to Fund II's activities, investments and business (to the extent not borne or reimbursed by a portfolio company), including (i) all costs and expenses attributable to acquiring, holding, monitoring and disposing of Fund II's investments (including interest on money borrowed by Fund II, registration expenses and brokerage, finders', custodial, account clearing house, collection and other fees), (ii) third-party legal, accounting, auditing, consulting and other fees and expenses (including expenses for such third parties associated with negotiating, consummating, monitoring and

disposing of Fund II's particular portfolio investments and the preparation of Fund II's financial statements, tax returns and Schedules K-1 and expenses for any person appointed by Fund II's General Partner to serve from time to time as an administrator of Fund II), (iii) expenses of Fund II's advisory committee and its members thereof, (iv) extraordinary expenses of Fund II (including, but not limited to, litigation and indemnification costs and expenses, judgments and settlements ), (v) all out-of-pocket fees and expenses relating to investment and disposition opportunities for Fund II whether consummated or not consummated (including legal, accounting, consulting, printing and other fees and real estate title and appraisal costs), and (vi) the Management Fee. All costs and expenses that are the common expense of Fund II and a parallel fund shall be allocated among such entities based on the respective capital commitments of each entity.

Fund II is also responsible for its organization expenses, which includes all costs and expenses incurred by Fund II, Fund II's General Partner, Decathlon or their affiliates in connection with the organization and formation of Fund II and the offering and sale of limited partnership interests, including attorneys' fees, accountants' fees, data site creation and maintenance, printing and mailing costs, charges of agents and depositories, costs of filings for, registration and qualification of the limited partnership interests under applicable securities laws, reimbursements of reasonable out-of-pocket expenses associated with the formation of Fund II and the sale of limited partnership interests; *provided, however*, that it is acknowledged that Fund II will not pay any investment banking or private placement fees in connection with the offering. Any comparable costs and expenses of any feeder funds are paid by the feeder fund limited partners. Organizational expenses that are the common expense of Fund II and a parallel fund shall be allocated between such entities based on the respective capital commitments of each entity.

*Decathlon Alpha III, L.P.* The Management Fee is paid quarterly in advance and is equal to 2.0% (the "Fee Rate") of the greater of (i) the aggregate capital committed by all limited partners; and (ii) the sum of (x) the aggregate capital contributions of all limited partners as of the last day of the immediately preceding calendar quarter plus (y) the Reinvestment Amount (as defined in Fund III's offering documents) of Fund III as of the last day of the immediately preceding calendar quarter, subject to the terms of the Amended and Restated Management Agreement between Decathlon and Fund III. For each successive twelve-month period following the end of the Commitment Period (as defined in Fund III's offering documents), the Fee Rate will be equal to 1.5% of the greater of (i) the aggregate capital committed by all limited partners; and (ii) the sum of (x) the aggregate capital contributions of all limited partners as of the last day of the immediately preceding calendar quarter plus (y) the Reinvestment Amount of Fund III as of the last day of the immediately preceding calendar quarter. The Management Fee is deducted from the assets of Fund III. Management Fees paid by Fund III are indirectly borne by the investors in Fund III. Upon termination of Decathlon as the manager for Fund III, any paid but not yet earned Management Fees will be repaid to Fund III on a prorated basis. The Management Fee is generally subject to waiver or reduction by Fund III's General Partner in its sole discretion.

In addition, Fund III is responsible for its partnership expenses, which includes all costs and expenses relating to Fund III's activities, investments and business (to the extent not borne or reimbursed by a portfolio company), including (i) all costs and expenses attributable to the due diligence, acquisition, holding, monitoring and disposition of Fund III's investments (including travel expenses incurred by Fund III's General Partner, Decathlon or the managing directors relating to performance of due-diligence, negotiation, closing and managing of Portfolio Financings and Related Securities, interest on money borrowed by Fund III, registration expenses and brokerage, finders', custodial, account clearing house, collection and other fees) as well as any costs incurred relating to serving as a director in any portfolio company, (ii) third-party legal, accounting, auditing, consulting and

research fees and associated with negotiating, consummating, monitoring and disposing of Fund III's particular portfolio investments (iii) expenses of preparing annual or other reports to the partners, including, without limitation, third-party accounting, auditing, legal and consulting fees and costs associated with the preparation of Fund III's financial statements, tax returns and Schedules K-1 (including expenses for any person appointed by Fund III's General Partner to serve from time to time as an administrator of Fund III), (iv) expenses of Fund III's advisory committee and its members thereof, (v) extraordinary expenses of Fund III (including, but not limited to, valuation expenses, litigation and indemnification costs and expenses, judgments and settlements), (vi) all out-of-pocket fees and expenses relating to investment and disposition opportunities for Fund III whether consummated or not consummated (including legal, accounting, consulting, printing and other fees and real estate title and appraisal costs), (vii) any taxes, fees, or other governmental charges levied against Fund III; and (viii) the Management Fee. All costs and expenses that are the common expense of Fund III and a parallel fund shall be allocated among such entities based on the respective capital commitments of each entity.

Fund III is also responsible for its organization expenses, which includes all costs and expenses incurred by Fund III, Fund III's General Partner, Decathlon or its affiliates in connection with the organization and formation of Fund III and the offering and sale of limited partnership interests, including attorneys' fees, accountants' fees, data site creation and maintenance, printing and mailing costs, charges of agents and depositories, costs of filings for, registration and qualification of the limited partnership interests under applicable securities laws, reimbursements of reasonable out-of-pocket expenses associated with the formation of Fund III and the sale of limited partnership interests; *provided, however*, that it is acknowledged that Fund III will not pay any investment banking or private placement fees in connection with the offering. Organizational expenses that are the common expense of Fund III and a parallel fund shall be allocated between such entities based on the respective capital commitments of each entity.

*Decathlon Alpha IV, L.P.* The Management Fee is paid quarterly in advance and is equal to 2.0% (the "Fee Rate") of the greater of (i) the aggregate capital committed by all limited partners; and (ii) the sum of (x) the aggregate capital contributions of all limited partners as of the last day of the immediately preceding calendar quarter plus (y) the Reinvestment Amount (as defined in Fund IV's offering documents) of Fund IV as of the last day of the immediately preceding calendar quarter, subject to the terms of the Management Agreement between Decathlon and Fund IV. For each successive twelve-month period following the end of the Commitment Period (as defined in Fund IV's offering documents), the Fee Rate will be equal to 1.75% of the greater of (i) the aggregate capital committed by all limited partners; and (ii) the sum of (x) the aggregate capital contributions of all limited partners as of the last day of the immediately preceding calendar quarter plus (y) the Reinvestment Amount of Fund IV as of the last day of the immediately preceding calendar quarter. The Management Fee is deducted from the assets of Fund IV. Management Fees paid by Fund IV are indirectly borne by the investors in Fund IV. Upon termination of Decathlon as the manager for Fund IV, any paid but not yet earned Management Fees will be repaid to Fund IV on a prorated basis. The Management Fee is generally subject to waiver or reduction by Fund IV's General Partner in its sole discretion.

In addition, Fund IV is responsible for its partnership expenses, which includes all costs and expenses relating to Fund IV's activities, investments and business (to the extent not borne or reimbursed by a portfolio company), including (i) all costs and expenses attributable to the due diligence, acquisition, holding, monitoring and disposition of Fund IV's investments (including travel expenses incurred by Fund IV's General Partner, Decathlon or the managing directors relating to performance of due-diligence, negotiation, closing and managing of Portfolio Financings and Related Securities,



interest on money borrowed by Fund IV, registration expenses and brokerage, finders', custodial, account clearing house, collection and other fees) as well as any costs incurred relating to serving as a director in any portfolio company, (ii) third-party legal, accounting, auditing, consulting and research fees and associated with negotiating, consummating, monitoring and disposing of Fund IV's particular portfolio investments (iii) expenses of preparing annual or other reports to the partners, including, without limitation, third-party accounting, auditing, legal and consulting fees and costs associated with the preparation of Fund IV's financial statements, tax returns and Schedules K-1 (including expenses for any person appointed by Fund IV's General Partner to serve from time to time as an administrator of Fund IV), (iv) expenses of Fund IV's advisory committee and its members thereof, (v) extraordinary expenses of Fund IV (including, but not limited to, valuation expenses, litigation and indemnification costs and expenses, judgments and settlements), (vi) all out-of-pocket fees and expenses relating to investment and disposition opportunities for Fund IV whether consummated or not consummated (including legal, accounting, consulting, printing and other fees and real estate title and appraisal costs), (vii) any taxes, fees, or other governmental charges levied against Fund IV; and (viii) the Management Fee. All costs and expenses that are the common expense of Fund IV and a parallel fund shall be allocated among such entities based on the respective capital commitments of each entity.

Fund IV is also responsible for its organization expenses, which includes all costs and expenses incurred by Fund IV, Fund IV's General Partner, Decathlon or its affiliates in connection with the organization and formation of Fund IV and the offering and sale of limited partnership interests, including attorneys' fees, accountants' fees, data site creation and maintenance, printing and mailing costs, charges of agents and depositories, costs of filings for, registration and qualification of the limited partnership interests under applicable securities laws, reimbursements of reasonable out-of-pocket expenses associated with the formation of Fund IV and the sale of limited partnership interests; *provided, however*, that it is acknowledged that Fund IV will not pay any investment banking or private placement fees in connection with the offering. Organizational expenses that are the common expense of Fund IV and a parallel fund shall be allocated between such entities based on the respective capital commitments of each entity.

*Decathlon Alpha V, L.P.* The Management Fee is paid quarterly in advance and is equal to 2.0% (the "Fee Rate") of the greater of (i) the aggregate capital committed by all limited partners; and (ii) the sum of (x) the aggregate capital contributions of all limited partners as of the last day of the immediately preceding calendar quarter plus (y) the Reinvestment Amount (as defined in Fund V's offering documents) of Fund V as of the last day of the immediately preceding calendar quarter, subject to the terms of the Management Agreement between Decathlon and Fund V. For each successive twelve-month period following the end of the Commitment Period (as defined in Fund V's offering documents), the Fee Rate will be equal to 1.75% of the greater of (i) the aggregate capital committed by all limited partners; and (ii) the sum of (x) the aggregate capital contributions of all limited partners as of the last day of the immediately preceding calendar quarter plus (y) the Reinvestment Amount of Fund V as of the last day of the immediately preceding calendar quarter. The Management Fee is deducted from the assets of Fund V. Management Fees paid by Fund V are indirectly borne by the investors in Fund V. Upon termination of Decathlon as the manager for Fund V, any paid but not yet earned Management Fees will be repaid to Fund V on a prorated basis. The Management Fee is generally subject to waiver or reduction by Fund V's General Partner in its sole discretion.

In addition, Fund V is responsible for its partnership expenses, which includes all costs and expenses relating to Fund V's activities, investments and business (to the extent not borne or reimbursed by a portfolio company), including (i) all costs and expenses attributable to the due diligence, acquisition,

holding, monitoring and disposition of Fund V's investments (including travel expenses incurred by Fund V's General Partner, Decathlon or the managing directors relating to performance of due-diligence, negotiation, closing and managing of Portfolio Financings and Related Securities, interest on money borrowed by Fund V, registration expenses and brokerage, finders', custodial, account clearing house, collection and other fees) as well as any costs incurred relating to serving as a director in any portfolio company, (ii) third-party legal, accounting, auditing, consulting and research fees and associated with negotiating, consummating, monitoring and disposing of Fund V's particular portfolio investments (iii) expenses of preparing annual or other reports to the partners, including, without limitation, third-party accounting, auditing, legal and consulting fees and costs associated with the preparation of Fund V's financial statements, tax returns and Schedules K-1 (including expenses for any person appointed by Fund V's General Partner to serve from time to time as an administrator of Fund V), (iv) expenses of Fund V's advisory committee and its members thereof, (v) extraordinary expenses of Fund V (including, but not limited to, valuation expenses, litigation and indemnification costs and expenses, judgments and settlements ), (vi) all out-of-pocket fees and expenses relating to investment and disposition opportunities for Fund V whether consummated or not consummated (including legal, accounting, consulting, printing and other fees and real estate title and appraisal costs), (vii) any taxes, fees, or other governmental charges levied against Fund V; and (viii) the Management Fee. All costs and expenses that are the common expense of Fund V and a parallel fund shall be allocated among such entities based on the respective capital commitments of each entity.

Fund V is also responsible for its organization expenses, which includes all costs and expenses incurred by Fund V, Fund V's General Partner, Decathlon or its affiliates in connection with the organization and formation of Fund V and the offering and sale of limited partnership interests, including attorneys' fees, accountants' fees, data site creation and maintenance, printing and mailing costs, charges of agents and depositories, costs of filings for, registration and qualification of the limited partnership interests under applicable securities laws, reimbursements of reasonable out-of-pocket expenses associated with the formation of Fund V and the sale of limited partnership interests; *provided, however*, that it is acknowledged that Fund V will not pay any investment banking or private placement fees in connection with the offering. Organizational expenses that are the common expense of Fund V and a parallel fund shall be allocated between such entities based on the respective capital commitments of each entity.

*Decathlon Alpha Social Equality Fund, L.P.* SEF will operate as an auxiliary fund of Fund IV, Fund V, and successor and affiliated funds thereof, and expects to participate in as much as fifteen percent (15%) of the investment opportunities of these funds in social equality companies. The Management Fee is paid quarterly in advance and is equal to 1.6% (the "Fee Rate") of the greater of (i) the aggregate capital committed by all limited partners; and (ii) the sum of (x) the aggregate capital contributions of all limited partners as of the last day of the immediately preceding calendar quarter plus (y) the Reinvestment Amount (as defined in SEF's offering documents) of SEF as of the last day of the immediately preceding calendar quarter, subject to the terms of the Management Agreement between Decathlon and SEF. For each successive twelve-month period following the end of the Commitment Period (as defined in SEF's offering documents), the Fee Rate will be equal to 1.4% of the greater of (i) the aggregate capital committed by all limited partners; and (ii) the sum of (x) the aggregate capital contributions of all limited partners as of the last day of the immediately preceding calendar quarter plus (y) the Reinvestment Amount of SEF as of the last day of the immediately preceding calendar quarter. The Management Fee is deducted from the assets of SEF. Management Fees paid by SEF are indirectly borne by the investors in SEF. Upon termination of Decathlon as the manager for SEF, any paid but not yet earned Management Fees will be repaid to SEF on a prorated

basis. The Management Fee is generally subject to waiver or reduction by SEF's General Partner in its sole discretion.

In addition, SEF is responsible for its partnership expenses, which includes all costs and expenses relating to SEF's activities, investments and business (to the extent not borne or reimbursed by a portfolio company), including (i) all costs and expenses attributable to the due diligence, acquisition, holding, monitoring and disposition of SEF's investments (including travel expenses incurred by SEF's General Partner, Decathlon or the managing directors relating to performance of due-diligence, negotiation, closing and managing of Portfolio Financings and Related Securities, interest on money borrowed by SEF, registration expenses and brokerage, finders', custodial, account clearing house, collection and other fees) as well as any costs incurred relating to serving as a director in any portfolio company, (ii) third-party legal, accounting, auditing, consulting and research fees and associated with negotiating, consummating, monitoring and disposing of SEF's particular portfolio investments (iii) expenses of preparing annual or other reports to the partners, including, without limitation, third-party accounting, auditing, legal and consulting fees and costs associated with the preparation of SEF's financial statements, tax returns and Schedules K-1 (including expenses for any person appointed by SEF's General Partner to serve from time to time as an administrator of SEF), (iv) expenses of SEF's advisory committee and its members thereof, (v) extraordinary expenses of SEF (including, but not limited to, valuation expenses, litigation and indemnification costs and expenses, judgments and settlements ), (vi) all out-of-pocket fees and expenses relating to investment and disposition opportunities for SEF whether consummated or not consummated (including legal, accounting, consulting, printing and other fees and real estate title and appraisal costs), (vii) any taxes, fees, or other governmental charges levied against SEF; and (viii) the Management Fee. All costs and expenses that are the common expense of SEF and a parallel fund shall be allocated among such entities based on the respective capital commitments of each entity.

SEF is also responsible for its organization expenses, which includes all costs and expenses incurred by SEF, SEF's General Partner, Decathlon or its affiliates in connection with the organization and formation of SEF and the offering and sale of limited partnership interests, including attorneys' fees, accountants' fees, data site creation and maintenance, printing and mailing costs, charges of agents and depositories, costs of filings for, registration and qualification of the limited partnership interests under applicable securities laws, reimbursements of reasonable out-of-pocket expenses associated with the formation of SEF and the sale of limited partnership interests; *provided, however*, that it is acknowledged that SEF will not pay any investment banking or private placement fees in connection with the offering. Organizational expenses that are the common expense of SEF and a parallel fund shall be allocated between such entities based on the respective capital commitments of each entity.

*Decathlon Specialty Finance, LLC / Decathlon Growth Credit, LLC.* Decathlon is paid a servicing fee that is paid monthly in arrears and is equal to 2.0% per annum (the "Fee Rate") of the outstanding principal balance of DSF/DGC's loan portfolio as of the last day of each month. This servicing and management fee is deducted from the assets of DSF/DGC.

In addition, DSF/DGC is responsible for its operating expenses, which include all costs and expenses relating to their activities, investments and business (to the extent not borne or reimbursed by a portfolio company), including (i) all costs and expenses attributable to the due diligence, acquisition, holding, monitoring and disposition of investments (including travel expenses incurred by DSF/DGC's Managing Members, Decathlon or the managing directors relating to performance of due-diligence, negotiation, closing and managing of Portfolio Financings and Related Securities, interest on money borrowed by DSF/DGC, registration expenses and brokerage, finders', custodial, account clearing house, collection and other fees) as well as any costs incurred relating to serving as a director

in any portfolio company, (ii) third-party legal, accounting, auditing, consulting and research fees and associated with negotiating, consummating, monitoring and disposing of DSF/DGC's particular portfolio investments (iii) expenses of preparing annual or other reports to the members, including, without limitation, third-party accounting, auditing, legal and consulting fees and costs associated with the preparation of DSF/DGC's financial statements, tax returns and Schedules K-1 (including expenses for any person appointed by DSF/DGC's Managing Members to serve from time to time as an administrator of DSF/DGC), (iv) extraordinary expenses of DSF/DGC (including, but not limited to, valuation expenses, litigation and indemnification costs and expenses, judgments and settlements), (v) all out-of-pocket fees and expenses relating to investment and disposition opportunities for DSF/DGC whether consummated or not consummated (including legal, accounting, consulting, printing and other fees and real estate title and appraisal costs), (vi) any taxes, fees, or other governmental charges levied against DSF/DGC; and (vii) the servicing fee.

DSF/DGC is also responsible for its organization expenses, which includes all costs and expenses incurred by DSF/DGC, DSF/DGC's Managing Members, Decathlon or its affiliates in connection with the organization and formation of DSF/DGC, including attorneys' fees, accountants' fees, data site creation and maintenance, printing and mailing costs, charges of agents and depositories, costs of filings for, registration and qualification of the membership interests under applicable securities laws, reimbursements of reasonable out-of-pocket expenses associated with the formation of DSF/DGC.

Notwithstanding the foregoing, Decathlon or Managing Members may negotiate or set a servicing fee different from the foregoing with respect to DSF/DGC. Additionally, please see ***Item 6 – Performance-Based Fees and Side-By-Side Management*** below for information regarding “carried interest” that the Funds may pay.

Although Decathlon does not generally utilize the services of broker-dealers for transaction-related services, in the event that it chooses to use a broker-dealer for limited purposes relating to a particular Client, such Client will incur brokerage and other transaction costs. For additional information regarding brokerage practices, please see ***Item 12 – Brokerage Practices*** below.

### **Item 6 - Performance-Based Fees and Side-By-Side Management**

While Decathlon does not receive a performance-based fee, a portion of each Fund's net investment profit is allocated to the capital account of its General Partner as “carried interest.” Each General Partner of a Fund is a related person of Decathlon. Carried interest may differ from one Fund to another, as well as among investors in the same Fund. Decathlon does not receive a performance-based fee, carried interest or similar profits interest from DSF/DGC.

While the Funds have long-term investment strategies, potential investors should note that the payment by the Funds of carried interest may nonetheless provide an incentive for Decathlon to make investments that are riskier or more speculative than would be the case in the absence of such an arrangement. Generally, and except as may be otherwise set forth in the partnership agreements of the Funds, this conflict is mitigated by (i) certain limitations on the ability of Decathlon to establish successor funds, (ii) set procedures contained in the allocation provisions set forth in the limited partnership agreements of the Funds; and (iii) provisions and procedures set forth in Decathlon's Code of Ethics (“the Code”) requiring Decathlon to act in accordance with principles of honesty, good faith and fair dealing.

Please see ***Item 10 – Other Financial Industry Activities and Affiliations*** below for additional information relating to how conflicts of interests are generally addressed by Decathlon.

### **Item 7 - Types of Clients**

Decathlon currently provides investment advisory services solely to the Clients, which are private funds and businesses. Investment advice is provided directly to the Clients, subject to the direction and control of the General Partner or Managing Members of such Client, and not individually to the investors of such Client.

Interests in the Funds are offered pursuant to applicable exemptions from registration under the Securities Act and the 1940 Act. Permitted investors in the Funds may include high net worth individuals, banks, thrift institutions, pension and profit-sharing plans, endowments, foundations, trusts, estates, charitable organizations and other business entities.

The minimum investment requirement for a Fund offered by Decathlon varies from Fund to Fund, but typically begins at \$250,000. However, the General Partner of each Fund, in its sole discretion, may permit investments that are less than the required minimum investment commitment set forth in the applicable Fund's offering documents. In addition, legal eligibility requirements must be met to invest in a Fund.

### **Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss**

#### **Methods of Analysis and Investment Strategies**

Decathlon currently manages five Funds with substantially similar investment strategies. The Funds seek to create portfolios of high yield, secured revenue-based loans ("Revenue Based Financings"), which are made to established, expansion- and growth-stage companies. Specifically, each Fund will target companies with the following characteristics, although the General Partner of the Fund may make investments in companies with few or none of these characteristics, in its discretion:

- \$4 million to \$100 million in annual revenue;
- Positive historical and projected revenue growth rates;
- Recurring revenue streams;
- Attractive gross margin profile;
- EBITDA positive operations;
- Owner-operated and closely-held businesses;
- Organically financed businesses; and
- Modest current debt obligations.

The Funds' investments are typically structured as high-yield secured debt obligations, at times subordinated to the rights of a senior creditor, to enhance returns and to provide downside protection. The following features generally characterize each Fund's revenue-based financing structure:

- Debt financing structure with monthly payments typically ranging from 0.25% to 5.0% of borrowers' monthly gross revenue;
- Minimum interest payment requirement range of 0.25x to 1.5x invested capital for the Funds;

- In some investments, an internal rate of return (“IRR”) targeted instrument that recalibrates the aggregate cash-on-cash payments required to satisfy the contracted IRR on a monthly basis depending on payments received;
- Typically secured or subordinated creditor position;
- Exit-less return model that generates liquidity without a change in control; and
- Selective use of gross proceed warrants that could potentially generate long-term capital gain if and when any of the Fund’s portfolio companies experience a liquidity event.

The investment strategy of DSF/DGC is very similar with exception to the portfolio company and loan sizes, which are substantially larger than that of the Funds. DSF/DGC seeks Revenue Based Financings and will target companies with the same characteristics as the Funds mentioned above. DSF/DGC’s investments are typically structured as high-yield secured debt obligations, at times subordinated to the rights of a senior creditor, to enhance returns and to provide downside protection. The DSF/DGC’s revenue-based financing structures generally follow the same features as the Funds described above except (i) the initial loan commitment minimums are at least \$6 million (which is greater than the initial maximum loan commitments of the Funds) and (ii) the minimum interest payment requirements are lower, more typically in the range of 0.25x to 0.75x invested capital for DSF/DGC. DSF/DGC will not invest in the Funds and the Funds will not invest in the DSF/DGC.

The Clients expect that the loans will be repaid through payments of a percentage of company revenues, typically until a stated multiple and/or internal rate of return of the advanced principal is repaid. The exact terms of each Revenue Based Financing may vary, as described more fully in each Client’s offering documents. Although the primary focus of each of the Clients is on revenue-based financing structures, Decathlon may from time to time recommend other types of investments consistent with the respective Client’s investment strategy and objectives, as set forth in its offering documents.

The Clients’ strategies involve significant risks, including the risk that each Client (and, in turn, the underlying investors in such Clients), could lose some or all of any invested capital. An investment in a Client will provide limited liquidity because there are significant restrictions on transferability of each Client’s interests and withdrawals from each Client.

### Risk of Loss

While Decathlon seeks to diversify each Client’s investment portfolio by investing in multiple companies, all investment portfolios are subject to risks. Accordingly, there can be no assurance that a Client will be able to fully meet its investment objectives and goals, or that investments will not lose money. Below is a description of several of the principal risks that each Client may face.

*No Withdrawal and Illiquid Assets.* Each Client invests primarily in revenue-based debt instruments for which there is no active market. While it is anticipated that these instruments will typically be repaid over terms of between approximately 3.5 to 5 years, each Client will have little or no ability to sell or otherwise obtain liquidity on these assets prior to repayment. As a result, the assets available to make distributions to Client investors at any given time may be very limited.

*No Guarantee of Investment Performance.* The General Partner or Managing Members of each Client cannot guarantee that the relevant Client will achieve its stated investment objective or achieve positive or competitive investment returns. Unanticipated market conditions, political developments, regulatory and other factors, many of which cannot be anticipated or controlled by

the General Partner or Managing Members, could result in the Client not generating positive or competitive after-tax returns or in a loss of investment in the Client.

Over the last four years, both domestic and global markets have experienced, and may continue to experience, significant disruption and volatility resulting from a novel strain of coronavirus known as COVID-19 (COVID-19). The economic impacts of COVID-19 remain a continually evolving situation and continue to affect many companies. The virus has continued to disrupt economies, impacted both domestic and global travel, demand, and supply chains and adversely impacted domestic and global commercial activity in most industries. The continued and evolving development of this situation, its acute effects to businesses and industries, and uncertainty regarding potential economic recovery precludes any prediction as to the ultimate adverse impact of COVID-19 on financial markets, economic conditions and the portfolio company investments held in each Client.

*Investment Strategy Risk.* In order to execute on each Client's investment strategy, the General Partner or Managing Members are, and will be, required to, among other things, identify attractive revenue-based debt financing opportunities, execute on the loan transactions and receive repayment on the loans. There can be no assurance that the General Partner or Managing Members will be successful at any or all of such activities. If the General Partner or Managing Members are not successful at such activities, the Client's ability to achieve its investment objectives would be harmed and the Client investors may lose all or a portion of their investment.

*Concentration of Investments and Size of Client.* Each Client invests in Revenue Based Financing opportunities that, by their nature, do not offer the diversification available from other investment opportunities.

*Reinvestment of Proceeds.* The General Partner or Managing Members of each Client are under limited obligations to make distributions to the investors of the Client and will have broad discretion to reinvest proceeds from the sale of portfolio securities up to 135% of the Client's aggregate capital commitments. Such discretion may increase the risk inherent in an investment in a Client.

*Bankruptcy.* In addition to the many risks inherent in a bankruptcy process, including the duration, administrative costs and impact of a bankruptcy case on a company's value, each Client's investments will be subject to a number of significant risks including but not limited to the following: First, in a bankruptcy proceeding, in certain instances, the Client as the holder of subordinated debt, may have waived or compromised its entitlement to be heard or assert its positions or views regarding various issues that might arise in a bankruptcy case. Second, the automatic stay imposed by a bankruptcy filing may frustrate or delay the ability of the Client to realize on its collateral. Third, if the collateral value of the Client's secured claims falls below the amount of such claim, it may be deemed an unsecured claim to the extent of such deficiency, and the Client would then be at risk of being classified as an unsecured creditor. In addition, the Client's revenue loan could be challenged as more properly classified as an equity interest and therefore subordinated to all secured and unsecured creditors' claims. Fourth, as the holder of a subordinated lien position, the Client may have its claim eliminated by a bankruptcy court finding that the value of the bankruptcy estate is less than the amount of secured claims holding priority positions.

*Lender Liability Considerations and Equitable Subordination.* In recent years, a number of judicial decisions in the United States have upheld the right of borrowers to sue lending institutions on the basis of various evolving legal theories (collectively, "lender liability"). Generally, lender liability is founded upon the premise that a lender has violated a duty (whether implied or contractual) of good

faith and fair dealing owed to the borrower or has assumed a degree of control over the borrower resulting in creation of a fiduciary duty owed to the borrower or its other creditors or shareholders. Because of the nature of certain of each Client's investments, each Client could be subject to allegations of lender liability.

*Subordinated Debt.* Each Client's revenue loans generally will be secured by a significant portion, if not all, of a borrower's assets, but each Client's lien may be subordinated to those of some or all of the borrower's other lenders, which may include, among others, banks, receivables financing firms and lessors. As a condition to obtaining consent from a borrower's senior lenders to make a revenue loan, each Client typically will be required to enter into a subordination agreement with such senior lender that will place substantial restrictions and limitations on the Client's right to demand payment, foreclose on the collateral or seek other remedies.

*Limited Risk Mitigation Provisions.* Each Client's loan documents typically do not include many of the control and risk mitigation provisions in traditional loan documents, including, without limitation, personal guarantees, fixed payment commitments, and financial covenants. By eliminating these provisions, each Client provides borrowers with more flexibility but increases the risk of default and the Client's ability to mitigate risk once the borrower is in or near default. The General Partner or Managing Members of each Client believe that this increase in risk is outweighed by the higher return on capital borrowers are willing to pay for the additional flexibility, but there can be no assurance that the higher risk will be outweighed by the additional return.

Please see each Client's offering documents for information about the specific risks associated with an investment in that Client.

## **Item 9 - Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of Decathlon or the integrity of Decathlon's management. Decathlon has no disciplinary events to report.

## **Item 10 - Other Financial Industry Activities and Affiliations**

Various limited liability companies or individuals serve as General Partners or Managing Members of the Clients, and the Principals of Decathlon are also the principals of the General Partner of each Fund or the Managing Members of DSF.

### **Conflicts of Interest**

The discussion below reflects both historical and current practices of Decathlon and the Clients and practices vary among the Clients. Please refer to the limited partnership of the applicable Fund or operating agreement of DSF for details regarding the practices of such Client.

*Carried Interest.* The structure and payment of the carried interest by each Fund to its respective General Partner may involve a conflict of interest because it may create an incentive for such General Partner to cause the Fund to make riskier or more speculative investments than it otherwise would.

*Other Business Relationships.* Decathlon and its affiliates, including the General Partners or Managing Members of the Clients, engage in a broad range of activities, including investment activities for their own account (such as co-investment vehicles) and for the account of other investment funds or



accounts and providing advisory, management and other services to other funds. The funds and accounts (such as DFS/DGC) advised or managed by Decathlon other than the Funds are referred to as the “Related Funds.” The Related Funds may have investment objectives similar to those of the Funds. In the ordinary course of conducting its activities, the interests of a Client or its investors will, on occasion, conflict with the interests of Decathlon or its affiliates or one or more other Related Funds. Specifically, a General Partner’s or Managing Member’s time, effort, and resources will not be devoted exclusively to the business of the applicable Client but must be allocated between that business and the Related Funds.

The General Partner and Managing Members will devote as much of their time and resources to the activities of the applicable Client as it deems necessary and appropriate. A Client’s limited partnership or operating agreement generally does not restrict the applicable General Partner, Managing Member, or its principals from entering into other relationships or engaging in other business activities, even though those activities may be in competition with the Client and/or may involve substantial amounts of their time and resources.

Additionally, Decathlon may establish certain investment vehicles through which certain personnel of Decathlon or its affiliates, or other persons may invest alongside one or more Clients in one or more investment opportunities. Such vehicles, referred to herein as “co-investment vehicles,” generally are created to purchase and sell each investment opportunity at substantially the same time and on substantially the same terms as the applicable Client that is invested in such investment opportunity. Such co-investment vehicles generally do not pay management fees or carried interest. Conflicts may arise to the extent Decathlon and its affiliates manage these co-investment vehicles, the interests of which conflict with those of the Clients.

*Transaction Execution.* Conflicts of interest could also arise in connection with transactions for the accounts of the Clients and Related Funds. These transactions could differ in substance, timing, and amount, due to, among other things, differences in investment objectives or other factors affecting the appropriateness or suitability of particular investment activities to the Clients or Related Funds, or to limitations on the availability of particular investment or transactional opportunities. Further, neither the General Partner or Managing Members of a Client nor any of their affiliates have any obligation to provide such Client with any particular investment opportunity or to take advantage of an investment opportunity that could be beneficial to the Client.

*Successor Funds.* The General Partner or Managing Members of each Client contemplate organizing and managing successor investment funds with investment objectives comparable to the Clients; subject to applicable restrictions set forth in the underlying partnership and operating agreements of the Clients and successor entities. The existence of multiple investment partnerships with comparable objectives can create conflicts for allocating investment opportunities as they arise to the General Partner and its principals. The General Partner and Managing Members will be afforded discretion in making allocations of opportunities among various eligible investment funds (including the applicable Client) taking into account various factors that it determines appropriate.

*Brokerage Commissions.* Although Decathlon does not normally utilize the services of broker-dealers for transaction related services, in the event Decathlon chooses to use a broker-dealer in connection with a Client, Decathlon may pay brokerage commissions to brokers that the General Partner or Managing Members of a Client may be affiliated with or to processors that may be affiliated with members of the General Partner or the Managing Members.

## Resolution of Conflicts

Decathlon will deal with all conflicts of interest using its best judgment, but in its sole discretion. In resolving conflicts, Decathlon will generally consider various factors, including the interests of the Clients and the other Related Funds. In the case of all conflicts involving the Clients, the determination as to which factors are relevant, and the resolution of such conflicts, will be made in the sole discretion of Decathlon, except as required by the governing documents of the Clients.

*Mitigating Factors.* The following factors may alleviate, but will not eliminate, conflicts of interest among a Client and other Related Funds, co-investment vehicles and successor funds:

- A Client will not make any investment unless the General Partner or Managing Members of such Client believe that such investment is an appropriate investment considered solely from the viewpoint of the Client;
- Many important conflicts of interest will generally be resolved by set procedures contained in the allocation provisions set forth in the limited partnership or operating agreements of the Clients;
- The advisory committee of a Client and each other Related Fund, co-investment vehicle or successor fund, to the extent applicable, whose members are not affiliated with the General Partners or Managing Members of such Client, play an important role in resolving conflicts of interest by approving or disapproving the appropriateness of decisions that involve significant conflicts of interest referred to it by the appropriate Client's General Partner or Managing Members; and
- Decathlon's Code sets forth provisions and procedures requiring Decathlon to act in accordance with principles of honesty, good faith and fair dealing.

## **Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### Code of Ethics and Personal Trading

Decathlon has adopted a Code of Ethics ("the Code"), the full text of which is available to you upon request. Decathlon's Code has several goals. First, the Code is designed to assist Decathlon in complying with applicable laws and regulations governing its investment advisory business. Under the Investment Advisers Act of 1940, as amended, Decathlon owes fiduciary duties to its clients. Pursuant to these fiduciary duties, the Code requires Decathlon's managers, officers and employees (collectively, "Associated Persons") to act with honesty, good faith and fair dealing in working with clients. In addition, the Code prohibits Associated Persons from trading or otherwise acting on insider information.

Next, the Code sets forth guidelines for professional standards ("Professional Standards") for Decathlon's Associated Persons. Under the Code's Professional Standards, Decathlon expects its Associated Persons to put the interests of its clients first, ahead of personal interests. In this regard, Decathlon's Associated Persons are not to take inappropriate advantage of their positions in relation to Decathlon clients.

Third, the Code sets forth policies and procedures to monitor and review the personal trading activities of Associated Persons, as summarized below:

#### Personal Trading

From time to time, Associated Persons may invest in the same securities Decathlon recommends to clients. Under the Code, Decathlon has adopted procedures designed to reduce or eliminate conflicts of interest that this could potentially cause. Associated Persons are generally required to submit information about their personal trading activities to Decathlon's CCO or the CCO's designee for review. In addition, Associated Persons are generally required to notify the CCO or the CCO's designee and obtain advance approval of certain personal trades in securities that may be traded by Decathlon for client accounts or otherwise affected by investments made on behalf of clients. Violations of the Code may result in disciplinary action up to and including dismissal.

#### Participation or Interest in Client Transactions

Under the Code, Associated Persons are prohibited from trading in securities on the basis of material, non-public information or communicating material, non-public information about the issuer of any security to any other person.

### **Item 12 - Brokerage Practices**

As the Clients primarily make Revenue Based Financing investments, Decathlon anticipates that investments in publicly traded securities will be infrequent occurrences (*e.g.*, money market instruments pending investment in a portfolio company, securities held as a result of initial public offerings of portfolio companies, going-private transactions, etc.). As a result, Decathlon does not normally utilize the services of broker-dealers for transaction related services. In the event Decathlon chooses to use a broker-dealer for a securities transaction, Decathlon has, subject to the direction of such Client's General Partner or Managing Members, sole discretion over the purchase and sale of investments (including the size of such transactions) and the broker or dealer, if any, to be used to effect transactions. The General Partner or Managing Members of each Client may pay brokerage commissions to brokers that the General Partner or Managing Members may be affiliated with or to processors that may be affiliated with members of the General Partner. In placing each transaction for a Client involving a broker-dealer, Decathlon will seek to obtain best execution of the transaction. "Best execution" means obtaining for a Client account the lowest total cost (in purchasing a security) or highest total proceeds (in selling a security), taking into account the circumstances of the transaction and the reputability and reliability of the executing broker or dealer.

In determining whether a particular broker or dealer is likely to provide best execution in a particular transaction, Decathlon takes into account all factors that it deems relevant to the broker's or dealer's execution capability, including, by way of illustration, price, the size of the transaction, the nature of the market for the security, the amount of the commission, the timing of the transaction taking into account market prices and trends, the reputation, experience and financial stability of the broker or dealer, and the quality of service rendered by the broker or dealer in other transactions.

#### Directed Brokerage

Decathlon does not allow directed brokerage accounts. To the extent consistent with its duty to seek best execution, Decathlon may trade with the broker who has custody of the applicable assets.

### Aggregation of Trades

The Clients normally do not actively trade in securities. However, Decathlon may aggregate a Client's securities trades with those of another Client to the extent consistent with receiving best execution. Generally, Clients participating in an aggregated order will receive an average price of all trades placed that trading day and pay their ratable share of brokerage costs. In some cases, Decathlon may be excluded from aggregated block trades due to legal, regulatory or other concerns.

### Soft Dollar Transactions

Decathlon does not generate or use soft dollars, which are credits generated by transactions placed with certain securities broker-dealers that may be used to "purchase" certain research and brokerage products from such securities broker-dealers.

## **Item 13 - Review of Accounts**

### Oversight and Monitoring

The portfolio investments of the Clients are generally private, illiquid and long-term in nature, and accordingly, Decathlon's review of them is not directed toward a short-term decision to dispose of securities. However, the portfolio investments of each Client are continuously reviewed by the General Partner or Managing Members of the Client, who closely monitor the portfolio companies of the Client and generally maintains an ongoing oversight position in such portfolio companies. These reviews will focus on appropriateness of the Client's investments for the Client's portfolio and the performance of the Client.

### Reporting

Investors in the Clients generally receive, among other things, a copy of audited financial statements of the relevant Client within 90 days after the fiscal year end of the Client. In addition, investors in each Client will typically receive unaudited summary financial information regarding the Client within 60 days of the end of each financial quarter. Investors in the Clients also receive regular reporting on each portfolio company of each relevant Client as well as regular Client updates through letters, investor meetings and other materials provided on the investor website. Decathlon and the applicable General Partner or Managing Members may, from time to time, in their sole discretion, provide additional information upon request relating to such Client to one or more investors in such Client as they deem appropriate.

## **Item 14 - Client Referrals and Other Compensation**

Decathlon may compensate certain third-parties who refer investors to the Clients advised by Decathlon. In addition, Decathlon may utilize services for investment banking or private placement services in connection with raising the capital of each Client. To the extent fees are paid in connection with these services, they will only be paid by the General Partner or Managing Members of the Client or by investors who invest in the applicable Client through such services.

## **Item 15 - Custody**

Decathlon (through the General Partners or Managing Members) is deemed to have custody of certain assets of the Clients. Each Client currently is audited annually by an independent public

accountant, and the annual audited financial statements of each Client are sent to the Client's investors.

#### **Item 16 - Investment Discretion**

Decathlon provides investment advisory services to each of the Clients pursuant to the Client Agreements. Decathlon has discretionary authority to determine the investments to be bought or sold and the amounts to invest for the Clients. Investment advice is provided by Decathlon directly to the Clients, subject to the direction and control of the affiliated General Partner or Managing Members of such Client and not individually to the investors in the Clients. Any restrictions on investments in certain types of securities are established by the General Partner or Managing Members of the applicable Client and are set forth in the documentation received by each investor prior to investment in such Client.

#### **Item 17 - Voting Client Securities**

The Clients are not able to direct the vote of their General Partner or Managing Members. The General Partners or Managing Members intend to vote proxies or similar corporate actions in the best interests of the applicable Client, taking into account such factors as it deems relevant in its sole discretion.

Decathlon's proxy voting policy is designed to ensure that if a material conflict of interest is identified in connection with a particular proxy vote, that the vote is not improperly influenced by the conflict.

Decathlon maintains a detailed Proxy Voting Policy and a record of how Decathlon has voted proxies, each of which is available to clients upon request.

#### **Item 18 - Financial Information**

Decathlon does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, but Decathlon (through the General Partners or Managing Members) is deemed to have custody of certain assets of the Clients. Decathlon has no financial condition that is reasonably likely to impair its ability to meet its contractual commitments to its clients and has not been the subject of a bankruptcy petition at any time during the past ten years.

#### **Item 19 - Requirements for State-Registered Advisers**

Decathlon has no disclosure with respect to this item.