

# COLONY CAPITAL INVESTMENT ADVISORS, LLC

Form ADV, Part 2A

## MANAGED FUND BROCHURE

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This brochure (“Brochure”) provides information about the qualifications and business practices of the private investment fund and co-investment vehicles business line of Colony Capital Investment Advisors, LLC (“CCIA”), and its relying advisers (as defined below) (collectively, the “Managed Fund Advisers”). Other advisory activities of affiliates of DigitalBridge Group, Inc. (“DigitalBridge” or the “Company”) are described in separate Brochures. If you have any questions about the contents of this brochure, please contact Kristen Whealon, our Chief Compliance Officer (the “CCO”), at 561-544-7475 or [kristen.whealon@digitalbridge.com](mailto:kristen.whealon@digitalbridge.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.

Each Managed Fund Adviser is an investment adviser registered with the SEC. Registration with the SEC does not imply a certain level of skill or training. Additional information about CCIA and the Managed Fund Advisers is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2: Material Changes**

CCIA's last annual updating amendment to Part 2A on Form ADV was filed on March 31, 2023. Subsequent other-than-annual amendments were made on June 6, 2023, and August 23, 2023. Since the last other-than-annual amendment of CCIA's Form ADV Part 2A filed on August 23, 2023, the following changes have occurred:

- i. Updates to registered affiliates; and
- ii. Updated certain risk factors.

This Brochure also includes certain other routine updates and additional information. It is important that you read this entire Brochure, including the updates, to fully understand the disclosures made herein.

## IMPORTANT NOTE ABOUT THIS BROCHURE

**This Brochure is not:**

- an offer or agreement to provide advisory services to any person
- an offer to sell interests (or a solicitation of an offer to purchase interests) in any investment vehicle advised or sponsored by CCIA or an affiliate (each a “**Managed Fund**”)
- a complete discussion of the features, risks or conflicts associated with any advisory relationship or Managed Fund

As required by the US Investment Advisers Act of 1940, as amended (“Advisers Act”), CCIA provides this Brochure to current and prospective clients and may also, in its discretion, provide this Brochure to current or prospective investors in a Managed Fund, together with the Managed Fund’s offering documents, SEC filings (as applicable), organizational documents, management contracts or other related documents (the “Governing Documents”), prior to, or in connection with, such persons’ investment in the Managed Fund. Additionally, this Brochure is available through the SEC’s Investment Adviser Public Disclosure website.

Although this publicly available Brochure describes investment advisory services and products of CCIA and the Managed Fund Advisers, persons who receive this Brochure (whether or not from CCIA) should be aware that it is designed solely to provide information about CCIA as necessary to respond to certain disclosure obligations under the Advisers Act. As such, the information in this Brochure may differ from information provided in relevant Governing Documents. More complete information about each Managed Fund is included in relevant Governing Documents, certain of which may be provided to current and eligible prospective investors only by the Managed Funds or by another authorized party.

Pursuant to Rule 204-3(e) under the Advisers Act, this brochure covers CCIA’s private fund and co-investment clients and is intended for CCIA’s private fund and co-investment vehicle clients and to similar clients that may be formed in the future.

In no event should this Brochure be relied upon in determining whether to invest in a Managed Fund or to engage CCIA or any of the Managed Fund Advisers as an investment adviser. To the extent that there is any conflict between discussions herein and similar or related discussions in any Governing Documents, the relevant Governing Documents shall govern and control.

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## **Item 4: Advisory Business**

### **DigitalBridge**

Colony Capital Investment Advisors, LLC (“CCIA”) is a Delaware limited liability company and an indirect subsidiary of DigitalBridge Group, Inc. (NYSE: DBRG) (“DigitalBridge”), a global investment management firm publicly traded on the New York Stock Exchange. Marc C. Ganzi is the Chief Executive Officer of DigitalBridge and Benjamin J. Jenkins is the President and Chief Investment Officer of DigitalBridge.

CCIA was formed in December 2014. CCIA succeeded the advisory business of Colony Capital, LLC, which was founded in 1991.

### **CCIA and the Relying Advisers**

The advisory business of CCIA (which includes the Relying Advisers described below) primarily consists of advising private investment funds and co-investment vehicles (the “Managed Funds” or “Clients”). The investment strategies of the Managed Funds are generally focused on making direct investments in real estate and real estate-related assets, debt and distressed debt investments and private growth-oriented companies. Currently, CCIA is not accepting new Clients or Investors and is generally focused on exiting investments for its Clients.

Certain affiliates of CCIA (the “Relying Advisers”) provide investment advisory and related services as part of CCIA’s advisory business. These include, in particular, affiliated companies established in Luxembourg, the United Kingdom and the United States, which may also engage CCIA affiliates and third parties for the provision of services. CCIA and the Relying Advisers generally have common policies and procedures with respect to their clients, share senior management teams and key personnel, and are collectively referred to herein as the “CCIA Advisers,” or “CCIA,” as the context requires. The Relying Advisers include, Colony Capital UK, Ltd. (United Kingdom), CNI One Cal Plaza Investment Advisor, LLC (Delaware), CNI Century Plaza Advisor, LLC (Delaware) and Colony LatAm Holdings, LLC (Delaware).

Each CCIA Adviser is a separate and distinct company that may have differing investment capabilities and functions, but the CCIA Advisers work collaboratively to provide advice and services to the Managed Funds. As of December 31, 2023, the CCIA Advisers managed approximately \$802,052,327 in client assets on a discretionary basis and \$0 in client assets on a non-discretionary basis. Assets under management are calculated and presented in this Brochure according to the requirements of the Advisers Act and may differ from the calculation and presentation of assets for purposes of other disclosures made by CCIA or its Clients.

### **Managed Fund Advisers**

The Managed Fund Advisers are a group of CCIA’s Relying Advisers that, together with CCIA and their affiliates, provide asset management and other services to the Managed Funds, which primarily consists of private investment funds and co-investment vehicles, whose investment strategies are focused on making direct investments in real estate and real estate-related assets, debt and distressed debt investments, and other companies, funds and accounts that may be sponsored or co-sponsored by DigitalBridge or CCIA or otherwise advised by CCIA in the future, both in the United States and internationally.

The Managed Fund Advisers are CCIA (Delaware), CNI One Cal Plaza Investment Advisor, LLC (Delaware), CNI Century Plaza Advisor, LLC (Delaware) and Colony LatAm Holdings, LLC (Delaware).

As noted above, this Brochure primarily describes the investment strategies, fees, risks, and conflicts applicable to the Managed Fund Advisers and the Managed Funds. Only Managed Funds’ clients should refer to this Managed Funds Brochure.

### **Other Affiliated Advisers**

Certain other affiliates of CCIA and DigitalBridge provide investment advisory and related services under separate registrations with the SEC and are not covered by this Brochure. These other registered affiliates have in some cases common policies and procedures and/or share certain management teams or personnel with CCIA and the Relying Advisers but are treated as separate and distinct companies and SEC registrants. These advisers offer a variety of investment strategies and services to a number of different clients.

The separate registered investment advisor affiliates that provide investment advisory and related services under separate registrations but have common policies and procedures with CCIA include (i) DigitalBridge Investment Management, LLC (Delaware), an investment adviser to private equity style investment funds and co-investment vehicles and funds which invest primarily in publicly traded securities; (ii) Digital Bridge Advisors, LLC (Delaware), an investment adviser focused on companies in the mobile and internet infrastructure space; and (iii) InfraBridge Investors (US) Limited (Delaware) (the “Affiliated Advisers”).

Certain exempt reporting advisers that do not have common policies and procedures with CCIA but share certain management teams or personnel with CCIA include (i) Colyzeo Investment Management Limited (United Kingdom) and (ii) Colyzeo Investment Advisors Limited (United Kingdom) and (iii) InfraBridge Investors (UK) Limited (United Kingdom). Further information about the advisory businesses of these CCIA affiliates can be found in the public disclosures on Form ADV for those firms.

DigitalBridge also directly and indirectly owns a number of operating entities (in addition to CCIA and the Relying Advisers) that are engaged in the business of owning, controlling, operating, managing, servicing and providing other services related to digital infrastructure, real estate and real estate-related assets. The operating companies owned by DigitalBridge that are engaged in the financial services industry are described in Item 10 below.

### **About the Managed Funds**

The Managed Funds business line of CCIA primarily consists of advising private investment funds and co-investment vehicles, whose investment strategies are focused on making direct investments in real estate and real estate-related assets, debt and distressed debt investments. The Managed Funds include clients that are organized in the United States and internationally, and that are focused on certain types of investments. The Managed Funds primarily include (i) private equity funds that invest in operating companies; (ii) distressed debt and credit funds that focus investments in assets and businesses that are experiencing or are expected to experience severe financial difficulties; and (iii) other vehicles that invest in residential and commercial development. DigitalBridge has recently undergone a significant business transformation, effecting a complete change in corporate strategy to focus entirely on investment strategies in digital infrastructure. Therefore, most of the Managed Funds are currently in the process of being sold or wound down.

### **Services to the Managed Funds**

The Managed Fund Advisers generally advise and manage the day-to-day investment affairs of the Managed Funds, and may act in one or more capacities, including as a general partner. Subject to the terms of the Managed Fund’s Governing Documents, the services provided to the Managed Funds include investment management and advisory services concerning (i) investments in operating companies; (ii) investments in distressed situations; (iii) acquisitions of direct investments in real estate in a variety of sectors; and (iv) investments in select residential and commercial development opportunities. The Managed Fund Advisers also provide investment advice regarding debt instruments related to real estate or issued by real estate or real estate-related entities, as well as in similar preferred equity instruments, and may also involve the acquisition of equity or an equity derivative, such as warrants, options, common stock, convertible debt, commercial mortgage-backed securities, residential mortgage-backed securities, real estate-related B-notes, mezzanine loans, bridge loans, debtor-in-possession loans, whole mortgage loans, bonds, a broad variety of primary or secondary purchases of debt instruments, other real estate or corporate

debt-related products and portfolio companies. The Managed Fund Advisers primarily provide investment advice with respect to investments located in the United States, Europe and Latin America.

The Managed Fund Advisers also provide investment advice regarding (i) the origination or acquisition of mortgage loans or other real estate loans with the expectation of subsequently foreclosing on, or otherwise taking control of, the property securing the loan or investment; (ii) the acquisition of minority interests in commercial banks, the primary assets of which are commercial and residential loans; (iii) minority or blocking positions in fulcrum debt securities; (iv) rescue capital loans to real estate operating companies, construction/rehabilitation loans, sale-leasebacks, and triple-net leases; and (v) investments in private growth-oriented companies. In connection with the consummation of certain investments on behalf of Clients, the Managed Fund Advisers may employ hedging techniques designed to protect the Client against adverse movements in currency or interest rates.

The Managed Fund Advisers may invest Clients' funds in liquid, short-term investments, such as bank and certificates of deposit or deposit such funds in a money market fund. The Managed Fund Advisers estimate that the portion of its activities related to such non-real estate-related advisory services is not significant.

For certain Clients, the Managed Fund Advisers engage a third-party sub-adviser ("Sub-Adviser") to assist in the execution of the investment strategy for such Client. The Managed Fund Advisers enter into an agreement with the Sub-Adviser obligating such Sub-Adviser to provide the agreed-upon services to the Client. The Managed Fund Advisers conduct diligence on any Sub-Advisers and monitor the performance of such Sub-Advisers but are not involved in the day-to-day operations of the Sub-Adviser. The Managed Fund Advisers do not delegate ultimate investment advisory decision-making authority to Sub-Advisers.

Except as provided herein, CCIA manages each Managed Fund on a discretionary basis (subject to any limitations set forth by the Managed Fund's Governing Documents, investment board, general partner, or similar governing body, as applicable).

### **Other Services to the Managed Funds**

DigitalBridge Luxembourg S.à.r.l., a Luxembourg holding company that is an affiliate of CCIA, provides in-house accounting and administrative services for various investments where local legal, tax, administration, and accounting support in non-US jurisdictions is needed. Luxembourg holding companies owned by affiliates of the Managed Funds reimburse DigitalBridge Luxembourg S.à.r.l. for an allocation of actual costs based on time spent by staff employed by DigitalBridge Luxembourg S.à.r.l. (including salary, bonus, and benefits reimbursements of personnel and associated corporate overhead) and all direct expenses incurred for each investment. The amount of such reimbursements is not offset against management fees.

CCIA or its affiliates must determine in good faith that any expenses, charges or related costs associated with these services are not greater than what would be paid to an unaffiliated third party for substantially similar services. The terms of these services will be consistent with the requirements set forth in applicable fund offering documents or other governing documents.

CCIA does not currently engage in wrap fee programs.

## **Item 5: Fees and Compensation**

Fees are separately determined for each client. As a general matter, CCIA and its affiliates receive management and incentive fees pursuant to advisory contracts and other agreements with clients and certain other fees as described in more detail below.

### **Management and Incentive Fees**

For its investment advisory services, the Managed Fund Advisers are generally compensated by one or more of the following investment management fees:

- an investment management fee that is equal to a percentage of the Client's committed capital, invested equity, or net asset value;
- Real estate asset management services fee that is capped at a percentage of the equity capitalization per investment; and/or
- performance-based fees (either as an incentive fee or carried interest) subject to the Client account achieving certain specified returns.

To the extent fees are based on capital gains or capital appreciation, the Managed Fund Advisers comply with Rule 205-3 under the Advisers Act, which permits the payment of performance fees by clients that meet certain requirements. See Item 6 for a discussion of certain conflicts related to performance-based fees.

The types and amounts of, and the related limitations and restrictions on, fees charged by the Managed Fund Advisers are not uniform among Clients and may be affected by the extent of services to be provided or the size of the account. Therefore, the Managed Fund Advisers do not maintain a fee schedule. The fees and expenses related to Clients offered pursuant to private securities offerings are fully specified in the Governing Documents for each Client. These materials are available from the Managed Fund Advisers upon request.

To the extent the Managed Fund Advisers engage a Sub-Adviser for a particular Client, the Managed Fund Advisers will remit a portion or all of the applicable investment management fee for that Client to such Sub-Adviser.

While fees related to Clients are generally not negotiable, such fees, in certain cases, include discounts based on the amount invested. These terms are disclosed in each Managed Fund's Governing Documents (i.e., private placement memorandum, limited partnership agreement, or side letter) and, in addition to different fee terms, side letters may also include additional reporting requirements to investors.

The timing of fee payments is set forth in the relevant Client offering documents. Investment management fees generally are paid monthly or quarterly, and are calculated on the value of committed capital, invested equity, or net asset value. The carried interest is distributed to the Managed Fund Advisers and/or its affiliates after investments have been sold and proceeds are received.

A small portion of the Managed Fund Advisers compensation may be related to the management of cash and cash-equivalent investments held in connection with real estate advisory services and the amount of cash and cash-equivalent investments are generally included in the gross asset value of a Client's assets for the purpose of calculating investment management fees.

In certain cases, the Managed Fund Advisers' fees are based on the value and performance of the assets held in the Client account. The Managed Fund Advisers generally are charged with the responsibility to, or have a



role in, determining such values. To the extent the Managed Fund Advisers' fees are based on the value or performance of Client accounts, the Managed Fund Advisers may benefit by receiving a fee based on the increased value of assets in an account. When valuing an asset, CCIA attempts, in good faith, to determine the fair value of the asset in question in a manner consistent with the Managed Fund Advisers' then current valuation policies (unless otherwise specified by the Client). The Managed Fund Advisers may also rely on valuations provided by third-party appraisals or on market quotations (when market quotations are available and deemed reliable) for the valuation of certain investments.

The limited partnership agreements, limited liability company operating agreements or applicable operating agreements of the Clients generally provide that payment of management fees are paid solely from (i) capital contributions from investors in the Client, (ii) distributable proceeds from investments, or (iii) borrowings under credit facilities.

Certain Clients are charged additional fees and expenses in connection with non-investment advisory services provided by CCIA. For example, the Managed Fund Advisers or any of their affiliates are in certain cases engaged to provide real estate asset management services to a Client. The fee charged to the Client for such real estate asset management services is generally capped at a percentage of the equity capitalization per investment.

Any fees or other revenues of the Clients, including all acquisition, financing, break-up and other fees payable to the Clients, the general partners, or any affiliates of the general partners will be for the benefit of the Clients and may be applied by the general partners to pay or reserve for the payment of expenses of the Managed Funds or to repay any credit facility drawdowns used to pay the same, with any balance distributed in accordance with the distribution waterfall or offset against management fees.

Clients may not, nor are they required to, pay any fees in advance for pooled investment vehicles. In certain limited cases, co-investment vehicles may pay up to six months of fees in advance. Any prepaid fees will be refunded if the co-investment vehicle terminates prior to the period for which such fees were paid.

Neither the Managed Fund Advisers nor any of its supervised persons accepts compensation for the sale of securities or other investment products.

### **Other Fees**

#### **Deal Costs**

The Managed Funds also bear third-party acquisition costs for proposed investments that are not completed ("Broken Deal Costs"). Although unlikely since CCIA is generally not making new investments, to the extent applicable, CCIA will typically allocate Broken Deal Costs to the Managed Fund that would have acquired or originated the investment according to CCIA's allocation policy.

#### **Asset-Level Management, and Other Fees**

Certain Managed Funds are provided with asset-level management services with respect to services provided by DigitalBridge Luxembourg S.à.r.l. DigitalBridge indirectly receives revenue from the cost reimbursements paid by Managed Funds to DigitalBridge Luxembourg S.à.r.l. for such services. Such cost reimbursements typically include the salary, bonus, and benefits reimbursements of DigitalBridge personnel and associated corporate overhead and all direct expenses incurred for such services. The amount of such reimbursements is not offset against management fees.

Clients bear all costs and expenses in maintaining their operations and investments, including legal and accounting expenses, fees for outside services, the cost of annual audits, custodial fees, insurance and litigation expenses, and taxes, fees, and other governmental charges.

### **Timing and Deduction of Fees**

All Managed Fund fees are generally calculated and payable monthly or quarterly in arrears. Managed Fund Fees are deducted from Managed Fund assets. More complete information about fees is contained in each Managed Fund's Governing Documents.

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

Performance-based compensation arrangements, if any, are negotiated with each client on an individualized basis and will in all cases be in compliance with Section 205(3) of, or Rule 205-3 under, the Advisers Act. The payment of performance-based compensation is subject to a specified "hurdle" rate.

Certain affiliates of CCIA that serve as a general partner to a Client may be entitled to receive from the relevant Client a carried interest distribution representing a percentage of the profits of such Client with respect to each portfolio investment. Fee arrangements with certain Clients include clawbacks on carried interest.

The existence of the carried interest with respect to Clients may create an incentive for CCIA to make more speculative investments on behalf of the Clients than it might otherwise make in the absence of such performance-based compensation. The carried interest may also incentivize CCIA to dedicate increased resources and allocate more profitable investment opportunities to Clients who are charged a carried interest, as CCIA and its affiliates have the opportunity to receive carried interest distributions based on the success of portfolio investments. Further, CCIA is also incentivized to allocate investment opportunities to Clients who either pay higher carried interest percentages to their general partners or to Clients whose current performance does not require them to reimburse limited partners for losses attributable to prior unprofitable investments before distributing carried interest to their general partners.

The carried interest creates a potential conflict of interest for CCIA and/or its affiliates in valuing investments. For example, because carried interest distributions in certain Managed Funds are calculated in a "deal-by-deal" waterfall, CCIA will not receive a carried interest until the partners of the applicable fund receive distributions equal to their share of writedowns not taken into account in prior distributions. This creates an incentive for CCIA and/or its affiliates to avoid writing down the value of assets that are not readily marketable or difficult to value, because CCIA and/or its affiliate, as applicable, will be in a position to receive a higher carried interest.

The terms of the carried interest could also give CCIA an incentive to make decisions regarding the timing and structure of realization transactions that may not be in the best interests of investors. For example, CCIA would be in a position to receive carried interest distributions earlier if profitable investments are liquidated prior to investments that are not profitable because, at the time proceeds from such profitable investments are liquidated, CCIA would not be required to first distribute capital to limited partners to make up for prior losses associated with unprofitable investments. The above conflicts are mitigated by the fact that Clients generally require the general partner of such funds to deposit up to 50% of its after-tax distributions into a reserve account ("Reserve Account") that will be subject to reallocation and distribution to the partners to ensure that distributions to partners over the term of the Client are consistent with the distribution waterfall. However, the return of such distributions to the limited partners may be delayed until the end of the fund's term. CCIA has also agreed to limitations in the operating documents of certain CCIA Managed Funds relating to the allocation of Client funds to investments (including restrictions on forming and directing capital to new co-investment or successor CCIA Managed Funds), in each case, to seek to mitigate certain of the incentives described above.

With certain limited exceptions, valuations of current income and disposition proceeds with respect to investments will be determined by the general partner of the Client (which is generally a special purpose vehicle created and controlled by CCIA) and will be final and conclusive to all partners. If distributions are made in assets other than cash, the amount of any such distribution will be accounted for at the fair value of such assets, with certain limited exceptions, as determined by the general partner in accordance with procedures set forth in the Client's limited partnership agreement.

Certain of the Clients' investments will be investments for which there is no, or a limited, liquid market. The fair value of such investments may not be readily determinable. Because such valuations, and particularly valuations with respect to loans and securities of private companies, are inherently uncertain, may fluctuate over short periods of time, and may be based on estimates, the general partner's determinations of fair value may differ materially from the actual values obtainable in an arm's length sale of such investments to a third party. The Client's financial condition and results of operations could be adversely affected if CCIA's fair value determinations were materially higher than the values that the Client ultimately realizes upon the disposition of such investments. For example, CCIA may elect to use greater amounts of leverage on behalf of Clients if its fair value determinations are more favorable than the value the Client ultimately receives on disposition of investments, which could increase the potential risk of loss of invested capital.

CCIA seeks to treat all Managed Funds in a fair and equitable manner over time and will act in a manner that it believes to be in the best interests of the Managed Funds. To that end, CCIA has established a variety of policies and other controls regarding, among other things, the allocation of investment opportunities, including those seeking to manage the conflicts of interest identified above. Please see *“Item 12: Brokerage Practices”* below for more information.

## **Item 7: Types of Clients**

CCIA generally provides investment advice to pooled investment vehicles, co-investment vehicles, real estate finance companies and private equity investments, generally in the form of corporations, limited partnerships or limited liability companies and therefore does not have requirements for opening or maintaining accounts. However, there typically are conditions for investing in the Managed Funds, including minimum investment amounts, which are stated in their respective Governing Documents for each Managed Fund. For the Managed Funds with minimum investment amounts, the Governing Documents generally note that the general partner or company, as applicable, has the discretion to reduce or waive the minimum investment amount.

As a general matter, each Managed Fund is managed in accordance with its investment objectives, strategies and guidelines and is not tailored to the individual needs of any particular investor and an investment in a Managed Fund does not, in and of itself, create an advisory relationship between the investor and CCIA. Therefore, investors must consider whether the Managed Fund meets their investment objectives and risk tolerance prior to investing in a Managed Fund. The Managed Funds are not “investment companies” subject to registration under the Investment Company Act.

## **Private Funds**

The Managed Funds are generally private investment funds that qualify for an exclusion from the definition of an “investment company” under Section 3(c)(1) or 3(c)(7) of the Investment Company Act and are organized in both the United States and internationally, including in Guernsey, the Cayman Islands, Canada, and Italy. The Managed Funds make direct investments in real estate assets and real estate-related assets, equity, debt and distressed debt investments. CCIA has full discretionary authority with respect to investment decisions made on behalf of each Managed Fund and it makes and manages each investment in accordance with the purposes, terms, restrictions and limitations set forth in the Governing Documents of each Managed Fund, consisting principally of the Managed Fund's limited partnership agreement or limited liability company operating agreement. Each Managed Fund that makes multiple investments is generally subject to certain diversification

and geographic limitations, as well as restrictions on incurring indebtedness, making passive investments in pooled investment vehicles, and entering into certain affiliated transactions.

Each U.S. investor participating in the Managed Funds is required to meet certain suitability and net worth qualification, such as (i) “accredited investor” within the meaning of Rule 501(a) of Regulation D promulgated under Section 4(2) of the Securities Act of 1933, as amended, (ii) “qualified purchaser” within the meaning of Section 2(a)(51) of the Investment Company Act, (iii) “qualified client” pursuant to Rule 205-3 of the Advisers Act, and/or (iv) “knowledgeable employee” within the meaning of Rule 3c-5 of the Investment Company Act.

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

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

The Managed Fund Advisers’ investment strategy is based on three related tenets: (i) cautious contrarianism, (ii) exploitation of inefficiencies, and (iii) value-added executions. Currently, the Managed Fund Advisers are primarily focused on realizing exit strategies for investments held by Clients.

In order to execute the Clients’ investment strategies, the Managed Fund Advisers continually analyze relevant market, property and company fundamentals in various sectors and locations. The Managed Fund Advisers and their affiliates have established global investment teams, which are comprised of local professionals in specific markets. By establishing a strong market presence, the Managed Fund Advisers seek to quickly identify markets and sectors with attractive fundamentals and generate original market perspectives in order to produce investment opportunities before they become broadly known to competitors. Through this expansive, in-place global infrastructure, the Managed Fund Advisers may see attractive, “off-market” investment prospects or sale opportunities that may not generally be available to the broader market.

The specifics of investment criteria, where applicable, are included in Client offering documents.

### ***Investment Strategies for Debt Investments***

The Managed Fund Advisers also invest in real estate-related debt and distressed investments.

In assessing the suitability of a particular investment for a Client’s portfolio, Managed Fund Advisers will evaluate the expected risk-adjusted return relative to the expected returns available from comparable investments. With respect to each investment opportunity, Managed Fund Advisers will also consider Managed Fund Advisers’ in-house asset management team’s ability to extract excess value from the investment through active post-acquisition asset management. Based on the foregoing criteria, among others, Managed Fund Advisers will make investment decisions and, if these decisions are made to proceed with an investment or to sell an investment, will utilize proprietary modeling systems to establish an appropriate price for such assets.

### **Material Risks**

#### **Risk of Loss**

An investment in a Managed Fund involves risk. There is no certainty of return with respect to any such investment. There is no guarantee that a Managed Fund will achieve its goals, objectives or targeted returns (as applicable). Investors may lose all or a portion of the value of their investment and, as such, should not invest unless they can readily bear the consequences of such loss.

Below is a summary of certain risks associated with an investment in a Managed Fund. Investors should refer to the risk factors in each Managed Fund’s Governing Documents, or other documents (as applicable) provided to, or made available to, prospective investors for a more complete description of the risks associated with the investment

in such Managed Fund. The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment in the Managed Fund. These risk factors include certain risks CCIA believes to be material, significant or unusual and relate to particularly significant investment strategies or methods of analysis employed by CCIA.

### **General Risks**

*General Economic and Market Conditions.* Challenging economic and financial market conditions may result in an increase in the number of investments that result in losses, including delinquencies, non-performing assets and taking title to collateral and a decrease in the value of the property or other collateral which secures the Managed Funds' investments, all of which could adversely affect their results of operations. The Managed Funds may incur substantial losses and need to establish significant provision for losses or impairment.

The Managed Funds manage diversified portfolios of equity, debt investments and private equity investments. An economic slowdown or recession, in addition to other non-economic factors such as an excess supply of properties, could have a material negative impact on the values of their investments. Declining real estate values will reduce the value of owned properties, as well as the ability to refinance properties and use the value of existing properties to support the purchase or investment in additional properties. Slower than expected economic growth pressured by a strained labor market, along with overall financial uncertainty, could result in lower occupancy rates and lower lease rates across many property types and may create obstacles to achieve the Managed Funds' business plans. The Managed Funds may also be less able to pay principal and interest on borrowings, which could cause a loss of title to the properties securing such borrowings. Commercial real estate ("CRE") debt investments would be similarly impacted and the level of new loan originations would also likely decline. In addition, borrowers may be less likely to achieve their business plans and less able to pay principal and interest on CRE debt investments. Further, declining real estate values significantly increase the likelihood that the Managed Funds would incur losses on their debt investments in the event of a default because the value of their collateral may be insufficient to cover costs. Any sustained period of increased payment delinquencies, taking title to collateral or losses could adversely affect Managed Funds' CRE investments as well as their ability to originate, sell and securitize loans, as applicable, which would significantly harm such Managed Funds' revenues, results of operations, financial conditions, business prospects and abilities to make distributions to their stockholders.

*Interest Rate Risks.* Fluctuations in interest rates may adversely affect the ability of the Managed Funds to successfully acquire or exit investments and may also adversely affect the performance of the Managed Funds' investments.

The financial performance of the Managed Funds is influenced by changes in interest rates, in particular, as such changes may affect CRE securities, floating-rate borrowings and CRE debt to the extent such debt does not float as a result of floors or otherwise. Changes in interest rates, including changes in expected interest rates or "yield curves," affect the Managed Funds' businesses in a number of ways. Changes in the general level of interest rates can affect net interest income, which is the difference between the interest income earned on interest-earning assets and the interest expense incurred in connection with interest-bearing borrowings and hedges. Changes in the level of interest rates also can affect, among other things, the Managed Funds' abilities to acquire CRE securities, originate or acquire CRE debt at attractive prices and enter into hedging transactions. Interest rates are highly sensitive to many factors, including governmental monetary and tax policies, domestic and international economic and political conditions, and other factors beyond the Managed Funds' control.

In addition, interest rates may impact the Managed Funds' use of any leveraged capital structure, in which case a third party would be entitled to cash flow generated by such investments prior to the investing Managed Fund receiving a return.

*Leverage.* Use of borrowed funds to leverage acquisitions involves a high degree of financial risk and can exaggerate the effect of any increase or decrease in value of an investment and will increase the exposure of the investments to adverse economic factors, such as fluctuations in interest rates, downturns in the local economies in which the

investments are located or deterioration in the condition of the investments. Accordingly, the use of leverage may cause a Managed Fund's value to be more volatile than it would be in the absence of such leverage. In addition, to the extent a strategy employed on behalf of a Managed Fund is dependent on leverage, the availability (or lack thereof) and cost of financing may significantly affect the ability of the Managed Fund to execute its investment strategy.

*Litigation.* In the ordinary course of business, owners of real estate may be subject to litigation from time to time. The outcome of such proceedings may adversely affect the value of an investment and may continue without resolution for long periods of time.

In connection with such actions, the applicable Managed Fund may be obligated to bear defense, settlement, and other costs (which may be in excess of insurance coverage therefor provided by the Managed Fund at such Managed Fund's expense for such purposes), and the investment adviser of such Managed Fund and others may be entitled to indemnification under, and subject to the terms of, such Managed Fund's investment agreement and/or other agreements entered into by such Managed Fund.

*Risky and Illiquid Investments.* Real estate and related investments are generally risky and illiquid and there can be no assurance that an investing Managed Fund will be able to realize on any such investment in a timely manner. Illiquidity may result from the absence of an established market for the investments, as well as legal or contractual restrictions on the investment's resale by the applicable Managed Fund.

Additionally, investments in private equity funds may be particularly illiquid, as there is often no secondary market in private equity securities and private equity investments often have "lock-up periods" during which an investor may not sell its interests. Reduced issuances of CMBS and other debt securities may harm the real estate market generally or the Managed Funds directly. As a result, a Managed Fund's ability to sell commercial real estate investments in response to changes in economic and other conditions, could be limited, even at distressed prices. The Internal Revenue Code also places limits on a Managed Fund's ability to sell properties in certain circumstances. These considerations could make it difficult for a Managed Fund to sell or dispose of any of its assets even if a disposition were in the best interests of its investors. As a result, a Managed Fund's ability to vary its portfolio in response to further changes in economic and other conditions may be relatively limited, which may result in losses. In addition, disposing of illiquid investments, particularly investments that are large or complex, may take considerable time and expense, and may be disruptive to managing other assets on behalf of the Managed Funds.

*Operational Risks.* Many investments are subject to operational risks – risks that the internal processes and systems designed to operate a business, property or other entity safely and efficiently are in some fashion inadequate or that the individuals tasked with managing such processes and systems fail to properly carry out their functions.

*Control Risk.* In certain situations, Clients may only acquire a minority interest in a company or other assets in which they are investing, may rely on independent third-party management or strategic partners with respect to the operation of a company or other assets in which they are investing, or may only acquire a participation in an asset underlying an investment, and, therefore, may not be able to exercise control over the management of such company or investment. Although an investing Client may not have complete control over such an investment and, therefore may have a limited ability to protect its position therein, such Client's general partner will expect that appropriate rights will be negotiated to protect the Client's interests. Nevertheless, such investments may involve risks in connection with such third-party involvement, including the possibility that third-party management or strategic partners may have financial difficulties resulting in a negative impact on such investment, may have economic or business interests or goals that are inconsistent with those of the investing Client or may be in a position to take action contrary to such Client's investment objectives. In addition, Clients may in certain circumstances be liable for the actions of third-party management or strategic partners. In instances where a Client invests with a co-investment fund, such Client may not have absolute control over the management of such investment.

*Third Party and Co-Investment Risk.* Clients may co-invest with third parties. These transactions potentially raise conflicts of interest. For example, a Client may co-invest with certain DigitalBridge funds, current limited partners

of the Client or other market participants with which DigitalBridge, CCIA, or an affiliate, has important business relationships, and such relationships could influence the decisions made by the Client's general partner and/or CCIA with respect to the purchase or sale of such investments. Further, such third parties could have interests that may be contrary to such Client's investment objective or which may conflict with the Client's interest. In those circumstances where such third parties involve a management group, such third parties may receive compensation relating to such investments, including incentive compensation arrangements. There can be no assurance that the foregoing will not have an adverse impact on the Client's ability to find, consummate and/or exit investments.

While co-investments will generally be made and disposed of at the same time as Client investments, circumstances may arise in which CCIA or an affiliate invests in or exits an investment at a different time than its Clients. Such mismatches in investment acquisition and disposition timing will be reviewed to ensure that Clients are not disadvantaged.

*Capital Calls and Use of Subscription Lines and Asset-Backed Credit Facilities.* Calculations of net and gross IRRs in respect of investment and performance data with respect to the Managed Funds, as reported to limited partners from time to time, are in certain cases based on the payment date of capital contributions received from limited partners. This treatment also applies in instances where the Managed Funds may utilize borrowings under a subscription-based credit facility in lieu of capital contributions or in advance of receiving capital contributions from limited partners to repay any such borrowings and related interest expense. As a result, use of a subscription-based credit facility (or other long-term leverage) with respect to investments will impact calculations of returns and will result in a higher or lower reported IRR than if the facility had not been utilized and instead the limited partners' capital had been contributed at the inception of an investment, which will present conflicts of interest as a result of certain factors, including the interest rate on such borrowings typically being less than the rate of the preferred return and that such preferred return does not accrue on such borrowings, and only accrues on capital contributions when made. As a result, use of such long-term leverage arrangements with respect to investments may effectively reduce or eliminate the preferred return received by the limited partners and accelerate or increase distributions of carried interest to the General Partner thereby providing the General Partner with an economic incentive to fund investments through long-term borrowings in lieu of capital contributions. Subject to the limitations in any Governing Document, the use of a subscription-based credit facility by any Managed Funds is within the General Partner's discretion. To the extent that any Fund is unable to obtain a subscription line or an asset-backed credit facility, determines that the terms of such facility would not be appropriate for such Fund or otherwise determines not to use such facility or access to such facility otherwise becomes unavailable, the General Partner may determine in its sole discretion to draw down commitments in advance and hold them in reserve in order to make investments, to satisfy fees and expenses, and to satisfy other capital needs that may arise in the future.

*Foreign Investments.* The Managed Funds invest in CRE assets or portfolio companies located in foreign countries, including significant investments in Europe. Accordingly, the business and financial results of the Managed Funds could be adversely affected due to currency fluctuations, social or judicial instability, acts or threats of terrorism, changes in governmental policies or policies of central banks, expropriation, nationalization and/or confiscation of assets, price controls, fund transfer restrictions, capital controls, exchange rate controls, taxes, inadequate intellectual property protection, unfavorable political and diplomatic developments, changes in legislation or regulations and other additional international developments or restrictive actions. These risks are especially acute in emerging markets. As in the United States, many non-U.S. jurisdictions in which Managed Funds may do business have been negatively impacted by recessionary conditions. Non-U.S. investments may also be subject to extensive regulation by various non-U.S. regulators, including governments, central banks and other regulatory bodies, in the jurisdictions in which those businesses operate. Non-U.S. investments may impact performance of Managed Funds and distributions to investors necessary to maintain such Managed Fund's qualification as a Fund for tax purposes.

*Restrictions on Repatriation of Capital and Profits.* Some countries in which certain Managed Funds may invest control, in varying degrees, the repatriation of capital and profits that result from foreign investment. Capital markets, often opaque, continue to be highly regulated and will likely be subject to continuing government restrictions. There can

be no assurance that the Managed Funds investing in such countries will be permitted to repatriate capital or profits, if any, from these countries.

*Inflation.* Some countries in which certain Managed Funds may invest have experienced substantial rates of inflation in recent years. Inflation and rapid fluctuations in inflation rates have had, and may in the future have, negative effects on the economies and securities markets of certain emerging economies. There can be no assurance that inflation will not become a serious problem in the future and have an adverse impact on the investments in these countries or the Managed Fund's returns from such investments.

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

Any Distress Event has a potentially adverse effect on the ability of CCIA to manage the Managed Funds and their investments, and on the ability of CCIA and Managed Funds to maintain operations, which in each case could result in significant losses and unconsummated investment acquisitions and dispositions. Such losses have the potential to include obligating the Managed Funds to pay fees and expenses in the event the Managed Funds are not able to close a transaction (whether due to the inability to draw capital on a credit line provided by a Financial Institution experiencing a Distress Event, the inability of investors to make capital contributions or otherwise), as well the inability of the Managed Funds to acquire or dispose of investments at prices that the relevant General Partner believes reflect the fair value of such investments and/or the inability of portfolio companies to make payroll, fulfill obligations and maintain operations. Although CCIA expects to exercise contractual remedies under the agreements with Financial Institutions in the event of a Distress Event, there can be no assurance that such remedies will be successful or avoid losses or delays.

Many Financial Institutions require, as a condition to using their services or otherwise, that CCIA and the Managed Funds maintain all or a set amount or percentage of their respective accounts or assets with custodians, which heightens the risks associated with a Distress Event with respect to such custodians. Although CCIA seeks to do business with custodians that it believes are creditworthy and capable of fulfilling their respective obligations to the Managed Funds, CCIA is under no obligation to use a minimum number of custodians with respect to the Managed Funds or to maintain account balances at or below the relevant insured amounts.

*Non-U.S. Economic, Political, Regulatory and Social Risks.* Investments by the Managed Funds may be subject to economic, political, regulatory, and social risks, which may affect the liquidity of such investments. The governments of certain of the countries in which the Managed Funds may invest have exercised and continue to exercise substantial influence over many aspects of the private sector. The availability of investment opportunities for the Managed Funds depends in part on governments continuing to liberalize their policies regarding foreign investment and to further encourage private sector initiatives. In certain jurisdictions, foreign ownership of assets and companies may be restricted, requiring the Managed Funds investing in such countries to share the applicable investments with local third-party partners or investors, and there may be significant local land use and permit restrictions, local taxes, and other



transaction costs which adversely affect the returns sought by the investing Managed Funds. The Managed Funds do not intend to obtain political risk insurance. Accordingly, government actions in the future could have a significant effect on economic actions in such countries, which could affect private sector assets and real estate and real estate-related companies and the prices and yields of investments. Exchange control regulations, expropriation, confiscatory taxation, nationalization, political, economic, or social instability or other economic or political developments could adversely affect the assets of the Managed Funds that are held in particular countries. Political changes or a deterioration of a particular country's domestic economy or balance of trade may indirectly affect the investments of the Managed Funds in a particular asset or company in such country. Moreover, the investments could be adversely affected by changes in the general economic climate or the economic factors affecting industries in which the Managed Funds have invested, changes in tax law or specific developments within such industries or interest rate movements. While the investment manager of such Managed Funds intends to manage these investments in a manner that will minimize investing Managed Funds' exposure to such risks, there can be no assurance that adverse political or economic changes will not cause such Managed Funds to suffer losses. Any significant military action by the U.S. and/or its allies, terrorist attacks and/or the anticipation of any such actions or response to them may have a further adverse impact on worldwide economic stability. It is not possible to predict the severity of the effect that terrorist activity and/or military response will have on the economic situation of the countries in which certain Managed Funds may invest. Nevertheless, any resulting economic instability or downturn could affect the returns sought by such Managed Funds.

*Russian Invasion of Ukraine.* The Russian Federation invaded Ukraine on February 24, 2022. Geopolitical tensions globally have risen significantly in response and the U.S., the United Kingdom, EU member states, and certain other countries have imposed several rounds of economic sanctions on the Russian Federation, parts of Ukraine, as well as various designated parties, and additional sanctions may be added in the future. As further military conflicts and economic sanctions continue to evolve, it has become increasingly difficult to predict the impact of these events or how long the conflict or such sanctions will last. The Russian Federation-Ukraine conflict and related events (including the economic sanctions) may significantly exacerbate the normal risks associated with the Managed Funds and result in adverse changes to, among other things: (i) general economic and market conditions; (ii) shipping and transportation costs and supply chain constraints; (iii) interest rates, currency exchange rates, and expenses associated with currency management transactions; (iv) demand for the types of investments made by the Managed Funds; (v) available credit in certain markets; (vi) import and export activity from certain markets and capital controls; and (vii) laws, regulations, treaties, pacts, accords, and governmental policies. Economic and military sanctions related to the Russian Federation-Ukraine conflict, or other conflicts, have the potential to gravely impact markets, global supply and demand, import/export policies, and the availability of labor in certain markets. Such volatility may cause the risk of investments to differ significantly from the Managed Fund Adviser's initial risk assessment and affect the Managed Fund Adviser's ability to assess the risk of investments going forward. There is no guarantee that such sanctions and economic actions will abate or that more restrictive measures will not be put in place in the near term. In addition, it is impossible to predict the extent to which the Russian Federation-Ukraine military conflict could expand into or otherwise adversely impact other regions. Any of the foregoing could seriously and negatively impact the Managed Fund's operations and its ability to realize its investment objectives in a timely manner.

*October 7th Attacks on Israel; Aftermath.* On October 7th, 2023, Hamas (an organization which governs Gaza, and which has been designated as a terrorist organization by the United States, the United Kingdom, the European Union, Australia and other nations), committed a terrorist attack within Israel (the "October 7th Attacks"). As of the date of this Brochure, Israel and Hamas remain in active armed conflict. The ongoing conflict and rapidly evolving measures in response could have a negative impact on the economy and business activity globally (including in countries in which the Managed Funds invests), and therefore could adversely affect the performance of the Managed Funds' investments. The severity and duration of the conflict and its future impact on global economic and market conditions are impossible to predict, and as a result, present material uncertainty and risk with respect to the Managed Funds and the performance of their investments and operations, and the ability of Managed Funds to achieve their investment objectives. For example, the armed conflict may expand and may ultimately more actively involve the United States, Lebanon (and/or Hezbollah), Syria, Iran and/or

other countries or terrorist organizations, any of which may exacerbate the risks described above. Similar risks exist to the extent that any portfolio entities, service providers, vendor or certain other parties have material operations or assets in the Middle East, or the immediate surrounding areas. The United States has announced sanctions and other measures against Hamas-related persons and organizations in response to the October 7th Attacks, and the United States (and/or other countries) may announce further sanctions related to the ongoing conflict in the future.

*Undeveloped Infrastructure.* In certain countries where the Managed Funds may invest, capital and advanced technology are significantly limited. Delays in local postal, transport, banking or communications systems could cause investing Managed Funds to lose rights, opportunities, entitlements or funds and expose such Managed Funds to currency fluctuations.

*Ability to Enforce Legal Rights.* Because of the effectiveness of the judicial systems in the countries in which the Managed Funds may invest varies, the Managed Funds may have difficulty in successfully pursuing claims in the courts of such countries, as compared to those of the U.S. or other developed countries. Further, to the extent that a Managed Fund may obtain a judgment but is required to seek its enforcement in the courts of one of these countries, there can be no assurance that such a court will enforce such a judgment.

*Currency Rates.* Fluctuations in currency rates may adversely affect the ability of the Managed Funds to successfully acquire non-U.S. assets and may also adversely affect the performance of the Managed Funds' investments in such assets. Because non-U.S. securities or other non-U.S. assets may be purchased with and payable in currencies of countries other than the U.S., the value of these assets measured in U.S. dollars may be affected favorably or unfavorably by changes in currency rates and exchange control regulations. In addition to currency and exchange risks, these investments may be subject to additional risks relating to foreign political and regulatory risks, which may affect the liquidity of such investments. Additional risks include possibilities of instability of the local country's political and economic structures and less predictable means of dispute resolution and enforcement of local rights regarding investments.

Some countries in which certain Managed Funds invest may employ managed exchange rate regimes which, in addition to other policies, may distort the results of, and returns on, the investments in such countries. Several countries, however, have been unable to sustain their exchange rates and have devalued their currency or shifted to floating exchange rate regimes. It is not possible over the life of any Managed Funds making such investments to assess the degree to which individual currencies will be permanently affected, but significant depreciation of any particular currency may adversely impact the investments in the applicable country and/or such Managed Fund's returns from such investments.

*Joint Ventures.* The Managed Funds may enter into joint ventures with third parties to make investments and/or make investments in partnerships or other co-ownership arrangements or participations. Such investments may involve risks not otherwise present with other methods of investment, including, for example, the following risks:

- the joint venture partner in an investment could become insolvent or bankrupt;
- the joint venture partner may engage in fraud or other misconduct;
- decision-making authority may be shared with joint venture partners regarding certain major decisions affecting the ownership of the joint venture and the joint venture property, such as the sale of the property or the making of additional capital contributions for the benefit of the property, which may prevent the Managed Funds from taking actions that are opposed by the joint venture partner;
- the joint venture partner may at any time have economic or business interests or goals that are or that become in conflict with the Managed Fund's business interests or goals, including for example the operation of the properties;

- the joint venture partner may be in a position to take action contrary to the Managed Fund's instructions or requests or contrary to the Managed Fund's policies or objectives; and
- the terms of the joint ventures could restrict the Managed Fund's ability to sell or transfer its interest to a third party when it desires on advantageous terms, which could result in reduced liquidity.

Any of the above might subject a Managed Fund to liabilities and thus reduce its returns on its investment with that joint venture partner. In addition, disagreements or disputes between the Managed Fund and the joint venture partner could result in litigation, which could increase the Managed Fund's expenses and potentially limit the time and effort its and CCIA's officers and directors are able to devote to the Managed Fund's business.

*Manager Risk.* The Managed Funds are subject to the risk that CCIA's purchases, sales, and/or management of investments on behalf of the Managed Funds may not produce the desired results and may have an adverse impact on the Managed Fund. The Managed Funds are also subject to the risk that CCIA's internal business structure, reputation or strategic initiatives will limit CCIA from competing successfully for investment opportunities on behalf of the Managed Funds or be disruptive to the services provided to the Managed Funds.

*Sub-Adviser Risk.* CCIA has engaged Sub-Advisers to provide advisory services for certain Managed Funds. The personnel of the Sub-Adviser are generally former personnel of CCIA or an affiliate of CCIA that have historically provided investment advice to such Managed Fund but are no longer affiliated with CCIA. CCIA is responsible for selecting and monitoring any Sub-Advisers engaged on behalf of Managed Funds, but there is no guarantee that such Sub-Advisers will achieve their investment objectives. Additionally, CCIA will not be able to oversee the day-to-day operations of any Sub-Adviser and any fraud or misconduct on the part of the Sub-Adviser may not be detected by CCIA and will negatively affect the value of the Managed Funds receiving sub-advisory services. Sub-Advisers may manage additional clients other than the Managed Funds or pursue other strategies that raise conflicts of interest with the Managed Funds. While CCIA will assess the possibility of such conflicts and related policies and procedures as part of its initial and on-going diligence of any Sub-Advisers, CCIA is not able to guarantee that such conflicts of interest will not impact the Managed Funds.

*Cyber Security Risk.* As the use of technologies, such as the internet, has become more common in conducting business, Managed Funds may be more susceptible to operational, information security, and related risks in connection with breaches in cyber security. Generally, a cybersecurity failure may result from either intentional attacks or unintentional events and include, but are not limited to, gaining unauthorized access to digital systems, misappropriating assets or sensitive information, causing a Managed Fund to lose proprietary information, corrupting data, or causing operational disruption, including denial-of-service attacks on websites. A cyber security failure could cause a Managed Fund and/or CCIA to become subject to regulatory penalties, reputational damage, additional compliance costs associated with corrective measures, and/or financial losses. Cyber security failures may involve third party service providers, joint venture partners, and investments made by, or counterparties in transactions with, CCIA or the Managed Funds. CCIA has established policies and procedures reasonably designed to reduce the risks associated with cyber security failures; however, there can be no assurance that these policies and procedures will prevent or mitigate the impact of cyber security failures.

*Privacy and data protection (GDPR) Risk.* Privacy and data protection regulations are complex and rapidly evolving areas. Any failure or alleged failure to comply with these laws could harm CCIA's business, reputation, financial condition, and operating results. Various federal, state, and foreign laws and regulations as well as industry standards and contractual obligations govern the collection, use, retention, protection, disclosure, cross-border transfer, localization, sharing, and security of the data CCIA receives from and about its investors, employees, and other individuals. The regulatory environment for the collection and use of personal information for companies, including for those that own and manage data centers and other communications technologies, is evolving in the United States and internationally. The U.S. federal government, U.S. states, and foreign governments have enacted (or are considering) laws and regulations that may restrict CCIA's ability to collect, use, and disclose personal information and may increase or change CCIA's obligations with respect to storing

or managing its own data, including employees' personal information, as well as customers' data, which may include individuals' personal information. For example, the EU General Data Protection Regulation ("GDPR") imposes detailed requirements related to the collection, storage, and use of personal information related to people located in the EU (or which is processed in the context of EU operations) and places new data protection obligations and restrictions on organizations, and may require CCIA to make further changes to its policies and procedures in the future beyond what it has already done. In addition, in the wake of the United Kingdom's withdrawal from the EU, the United Kingdom has adopted a framework similar to GDPR. The EU has confirmed that the UK data protection framework as being "adequate" to receive EU personal data. CCIA monitors developments regarding amendments to the UK data protection framework and the impact this may have on its business.

Privacy and consumer rights groups and government bodies (including the U.S. Federal Trade Commission ("FTC"), state attorneys general, the European Commission, and data protection authorities in Europe, the UK, Singapore, and other jurisdictions, are increasingly scrutinizing privacy, and CCIA expects such scrutiny to continue to increase. This could result in loss of competitive position, regulatory actions or increased regulatory scrutiny, litigation, breach of contract, reputational harm, damage to CCIA's stakeholder relationships, or legal liability. CCIA cannot predict how future laws, regulations and standards, or future interpretations of current laws, regulations, and standards, related to privacy and data protection will affect its business, and CCIA cannot predict the cost of compliance.

*Key Personnel Risk.* The Managed Funds are subject to the risk that they will lose the services of key personnel. It may be difficult or disruptive for Managed Funds to replace the experience of these key personnel and the relationships they have developed with real estate professionals and financial institutions.

*Environmental Risks.* As is the case with any holder of real estate investments, the Managed Funds could face substantial risk of loss from environmental claims based on environmental problems associated with their investments. The Managed Funds might invest in real estate, or mortgage loans secured by real estate, with environmental problems that materially impair the value of the real estate. Under various federal, state and local laws, ordinances and regulations, a current or previous owner or operator of real estate may be required to investigate and clean up certain hazardous substances released at the property, and may be held liable to a governmental entity or to third parties for property damage and for investigation and cleanup costs incurred by such parties in connection with the contamination. In addition, some environmental laws create a lien on the contaminated site in favor of the government for damages and costs it incurs in connection with the contamination. The presence of contamination or the failure to remediate contamination may adversely affect the owner's ability to sell or lease real estate or to borrow using the real estate as collateral. The owner or operator of a site may be liable under common law to third parties for damages and injuries resulting from environmental contamination emanating from the site. The Managed Funds may experience environmental liability arising from conditions not known to them.

*Public Health Risk.* Any public health emergency, including any outbreak of COVID-19 or other existing or new epidemic diseases, or the threat thereof, and the resulting financial and economic market uncertainty could have a significant adverse impact on the Managed Funds, and could adversely affect the Managed Funds' ability to fulfill its investment objectives. The extent of the impact of any public health emergency on the Managed Funds' operational and financial performance will depend on many factors, including the duration and scope of such public health emergency, the extent of any related travel advisories and restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and levels of economic activity and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted.

In addition, health crises caused by a pandemic could exacerbate other pre-existing political, social, economic, market and financial risk. The outbreak of COVID-19 has resulted in numerous deaths, adversely impacted global commercial activity and contributed to significant volatility in certain equity, debt, derivatives and

commodities markets. The extent and duration of such a negative impact to the private equity industry and global markets as a whole, is currently unknown. The global ramifications of the outbreak continue to evolve, and many countries have reacted by instituting (or strongly encouraging) quarantines, prohibitions on travel, the closure of offices, businesses, schools, retail stores, restaurants, hotels, courts and other public venues, and other restrictive measures designed to help slow the spread of COVID-19. Businesses implemented similar precautionary measures. While there recently have been coordinated efforts in many countries to distribute vaccines among populations, it remains uncertain how effective these efforts will be in combating the spread of the virus and what impact these efforts will have on consumer confidence and economic activity levels.

Such measures, as well as the general uncertainty surrounding the dangers and impact of COVID-19 have created significant disruption in supply chains and economic activity and had a particularly adverse impact on transportation, hospitality, tourism, entertainment and other industries and their lenders (and may have significant adverse impacts on the value of the Fund's Portfolio Companies that provide digital infrastructure solutions to such industries). Moreover, with the continued spread of COVID-19, governments and businesses have taken aggressive measures to help slow its spread. For this reason, among others, as COVID-19 continues to spread, the potential impacts, including a global, regional or other economic recession (which recessions some financial experts opine have already arrived) or even depression, are increasingly uncertain and difficult to assess. The rapid development of this situation precludes any prediction as to the ultimate adverse impact of COVID-19. There are no comparable recent events in the United States that provide guidance as to the effect of the spread of COVID-19 and potential pandemic on the economy as a whole and the specific sectors in which the Fund invests. While there have been economic stimulus measures aimed at curbing the negative economic impacts on the United States and other countries as a result of the COVID-19 pandemic, it cannot be determined at this time whether such stimulus measures will have a stabilizing economic effect.

Any public health emergency, including any outbreak of COVID-19, SARS, H1N1/09 flu, avian flu, other coronavirus, Ebola or other existing or new epidemic diseases, or the threat thereof, could have a significant adverse impact on the Managed Funds and could adversely affect the Managed Funds' ability to fulfill its investment objectives.

The extent of the impact of any public health risk on the Managed Funds' operational and financial performance will depend on many factors, including the duration and scope of such public health emergency, the extent of any related travel advisories and restrictions implemented, the ability to develop and administer a vaccine (if any) and conduct clinical trials, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and spending levels, and levels of economic activity and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. In addition, health crises caused by a pandemic could exacerbate other pre-existing political, social, economic, market and financial risk. For this reason, valuations in this environment are subject to heightened uncertainty and subject to numerous subjective judgments, any or all of which could turn out to be incorrect with the benefit of hindsight. Furthermore, traditional valuation approaches that have been used historically may need to be modified in order to effectively capture fair value in the midst of significant volatility or market dislocation. The effects of a public health emergency may materially and adversely impact the value and performance of the Managed Funds' ability to source, manage and divest investments (including, but not limited to circumstances where potential transactions are already signed but not closed), and the Managed Funds' ability to achieve its investment objectives, all of which could result in significant losses to the Managed Funds. Any such disruptions may continue for an extended period of time. Such circumstances can have a negative impact on a counterparty's ability to meet or willingness to honor its financial obligations (including, without limitation, its ability to extend credit or otherwise to transact with the Managed Funds). Current conditions may also affect how counterparties interpret their obligations (and the Managed Funds' obligations) pursuant to counterparty arrangements such that the applicability, or lack thereof, of force majeure or similar provisions could also come into question and ultimately could work to the detriment of the Managed Funds. In particular, a public health risk may have a greater impact on leveraged assets.

In addition, the operations of the Managed Funds, CCIA may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors related to a public health emergency, including its potential adverse impact on the health of the personnel of any such entity or the personnel of any such entity's key service providers. The impact on businesses in such circumstances has been and is expected to continue to be substantial.

In connection with the impacts of the current pandemic and any future such public health crisis, the Managed Funds are expected to incur heightened legal expenses which could similarly have an adverse impact to the returns. For example, but not by limitation, the Managed Funds may be subject to heightened litigation and their resulting costs, which costs may be significant and are expected to be borne by the Managed Funds. There is also a heightened risk of cyber and other security vulnerabilities during the current public health emergency and any future one, which could result in adverse effects to the Managed Funds in the form of economic harm, data loss or other negative outcomes.

*Benchmark Reform and the Impact on LIBOR and other IBORs.* The London Interbank Offered Rate (known as “**LIBOR**”) is a commonly used reference rate in global financial markets. A major shift is underway to transition from LIBOR to alternative near Risk-Free-Rates (“**RFRs**”). The lack of an underlying active market in interbank lending over recent years means that LIBOR is now sustained by the “expert judgement” of panel banks. In 2017 the UK's Financial Conduct Authority (the “**FCA**”) announced that this cannot continue indefinitely, and this initiated an on-going process of global regulatory reform of the use of reference rates.

On March 5, 2021, FCA and LIBOR's administrator, ICE Benchmark Administration, announced that most LIBOR settings (although not all U.S. dollar LIBOR settings) will no longer be published after the end of 2021. The remaining, most liquid, U.S. dollar LIBOR settings will no longer be published after June 30, 2023.

On November 16, 2021, the FCA confirmed it will allow the temporary use of ‘synthetic’ sterling and yen LIBOR rates in all legacy LIBOR contracts (other than cleared derivatives) denominated in the relevant currencies until the end of 2022. This announcement followed the announcement made by the FCA on September 29, 2021, of its decision relating to a fair, transparent and appropriate way of calculating synthetic LIBOR for the purposes of approximating what LIBOR might have been had it not been subject to permanent cessation. Investors should note that synthetic LIBOR rates may differ to what the equivalent “non-synthetic” LIBOR rate would have been had such rate not been subject to permanent cessation and therefore remained available for use by market participants in their contracts. Such differences may have an adverse effect on the Managed Funds and therefore on Limited Partners.

In relation to US Dollar LIBOR, although five US dollar LIBOR settings will continue to be calculated by panel bank submission until end-June 2023, the FCA does not permit the use of US dollar LIBOR in most new contracts written after December 31, 2021. The Managed Funds will therefore be required to use an alternative reference rate for new contracts and should continue to seek to transition away from LIBOR in existing contracts to an RFR.

It is not possible to predict with certainty the overall effect of LIBOR reform, but the discontinuance of LIBOR and the transition to RFRs raises a number of risks.

Where it is not possible to amend an existing LIBOR exposure to the relevant RFR (a process known as “remediation”) or to rely on a “synthetic” LIBOR reference rate, by the time LIBOR ceases to be published or is declared unrepresentative by the FCA, that asset is unlikely to function or perform as originally intended, its price may be negatively impacted or value transferred, and it may become illiquid and hard to value. It may not be possible to remediate certain assets from LIBOR to the new RFRs, or to transition a hedge and its underlying position at the same time, causing a mismatch or ‘basis risk’. Remediation is likely to be particularly difficult for assets issued to multiple investors or with high consent thresholds to amend the rate. Delays or failures in obtaining investor or counterparty consent, or regulatory approval, may adversely impact transition.

RFRs are conceptually different to LIBOR and do not operate on the same basis. Remediation from LIBOR to RFRs may lead to the Managed Funds paying more or receiving less on an asset than if it had remained a LIBOR-referencing asset. Spread adjustments applied to RFRs to reflect the historical difference in performance with LIBOR are rough proxies and will not perfectly match the performance of the relevant LIBOR rate it replaces, meaning that some value transfer is inevitable. Borrowing costs under financing arrangements could be impacted where RFRs or other interest rates are used (directly or indirectly) instead of LIBOR. Some of the RFRs are relatively new interest rate benchmarks compared to LIBOR and how these rates, and any adjustment spreads, will perform in stressed market conditions or over significant time periods is not well established. Industry and market solutions for the transition from LIBOR to RFRs across different asset classes and currencies are not aligned and are developing at different rates. If remediation alters the legal, commercial, tax, accounting or other economic outcome of the relevant trade(s), including as between a trade and its hedge, there is a risk of detriment to the Managed Funds and consequently to the investors. For new investments, including where an existing LIBOR-referencing asset is sold and replaced with an RFR-referencing asset during transition, the market in the relevant RFR-referencing asset may lack liquidity and/or price transparency, particularly when compared with historical LIBOR volumes. Other IBOR benchmarks are also affected by global benchmark reforms, including the Tokyo Interbank Offered Rate, Hong Kong Interbank Offered Rate, Euro Overnight Index Average, Canadian Dollar Offered Rate and Bank Bill Swap Rate. The timings for transition from such rates vary but the broad risks set out in this section apply generally to other affected IBOR rates.

### **Real Estate-Related Risk**

*Real Estate Risk.* The Managed Funds' investments in commercial real estate are subject to risks typically associated with real estate. The value of real estate may be adversely affected by a number of risks, including, without limitation:

- local, state, national or international economic conditions;
- real estate conditions, such as an oversupply of or a reduction in demand for real estate space in an area;
- tenant/operator mix and the success of the tenant/operator business;
- property management decisions;
- property location and conditions;
- property operating costs, including insurance premiums, real estate taxes and maintenance costs;
- the perceptions of the quality, convenience, attractiveness and safety of the properties;
- branding, marketing and operational strategies;
- competition from comparable properties;
- the occupancy rate of, and the rental rates charged at, the properties;
- the ability to collect on a timely basis all rent;
- the effects of any bankruptcies or insolvencies;
- the expense of leasing, renovation or construction;
- changes in interest rates and in the availability, cost and terms of mortgage financing;
- unknown liens being placed on the properties;
- bad acts of third parties;
- the ability to refinance mortgage notes payable related to the real estate on favorable terms, if at all;
- changes in governmental rules, regulations and fiscal policies;
- tax implications;
- changes in laws, including laws that increase operating expenses or limit rents that may be charged;
- the impact of present or future environmental legislation and compliance with environmental laws, including costs of remediation and liabilities associated with environmental conditions affecting properties;

- cost of compliance with the Americans with Disabilities Act of 1990;
- adverse changes in governmental rules and fiscal policies;
- social unrest and civil disturbances;
- acts of nature, including earthquakes, hurricanes and other natural disasters;
- terrorism;
- the potential for uninsured or underinsured property losses;
- adverse changes in state and local laws, including zoning laws; and
- other factors which are beyond the control of the Managed Fund Advisers.

The value of each property is affected significantly by its ability to generate cash flow and net income, which in turn depends on the amount of rental or other income that can be generated net of expenses required to be incurred with respect to the property. Many expenses associated with properties (such as operating expenses and capital expenses) cannot be reduced when there is a reduction in income from the properties. These factors may have a material adverse effect on the value and return that the Managed Funds can realize.

*Casualty Losses; Uninsurable Losses.* CCIA expects to maintain or cause each Managed Fund to maintain comprehensive casualty insurance on its investments, including liability and fire and extended coverage. However, there are certain types of losses, generally of a catastrophic nature, such as earthquakes, floods and hurricanes that may be uninsurable or not economically insurable. The Managed Funds may or may not obtain, or be able to obtain, or require borrowers to obtain, terrorism insurance. Inflation, changes in building codes and ordinances, environmental considerations, and other factors also might make it infeasible to use insurance proceeds to replace a property if it is damaged or destroyed. Under such circumstances, the insurance proceeds, if any, might not be adequate to restore the economic value of the property, which might impair a Managed Fund's security and decrease the value of the property. For debt investments, the Managed Funds are subject to risks of borrower defaults, bankruptcies, fraud, losses and special hazard losses that are not covered by standard hazard insurance.

*Financial Condition of Tenants or Operators.* Real estate investments made by the Managed Funds may be adversely affected by financial difficulties experienced by any of their major tenants/operators, including bankruptcy, insolvency or a general downturn in the business, or in the event that any of the major tenants/operators do not renew or extend their relationship with CCIA as their lease terms expire.

The Managed Funds are exposed to the risk that the tenants/operators of properties in which they invest may not be able to meet their obligations to the Managed Funds or other third parties, which may result in their bankruptcy or insolvency. Although the leases and loans permit CCIA and the Managed Funds to evict a tenant/operator, demand immediate repayment and pursue other remedies, bankruptcy laws afford certain rights to a party that has filed for bankruptcy or reorganization. A tenant/operator in bankruptcy may be able to restrict CCIA's ability to collect unpaid rents or interest on behalf of the Managed Funds during the bankruptcy proceeding. Furthermore, dealing with a tenant/operator's bankruptcy or other default may divert CCIA's attention and cause the Managed Funds to incur substantial legal and other costs. Certain tenants/operators/managers may operate or manage properties of CCIA's competitors, which may create conflicts of interests that may harm the Managed Funds. Furthermore, other joint venture partners may manage other properties on behalf of other firms which could create additional conflicts of interest.

*Undeveloped Land / Development Property Risk.* Clients may invest in underdeveloped land and certain development properties. Undeveloped land and development properties may involve more risk than properties on which development has been completed. Undeveloped land and development properties do not generate operating revenue while costs are incurred to develop the properties and may also generate certain expenses including property taxes and insurance. Development activities include the risks that development projects may be abandoned after expending resources, construction costs of a project may exceed original estimates, occupancy and rental rates at a newly completed property may be less than anticipated and construction and leasing of a property may not be completed



on schedule. Development activities are also subject to risks relating to the inability to obtain, or delays in obtaining, all necessary zoning, land-use, building, occupancy, and other required governmental permits and authorizations. Contingencies in development activities beyond the control of the Clients could occur.

### **Debt Investment Related Risks**

*Distressed Credit Risk.* Clients may make investments in assets and businesses that are experiencing or are expected to experience severe financial difficulties that may never be overcome. There may be little or no near-term cash flow available to investors in such Clients. Because Clients may only make a limited number of investments and because many of the investments may involve a high degree of risk, poor performance by a few of the investments could severely affect the total returns of investors.

Clients may seek to purchase entire portfolios or substantial portions of portfolios from market participants in need of liquidity or suffering from adverse valuations. Clients may be required to bid on such portfolios in a very short time frame and may not be able to perform normal due diligence on the entire portfolio. Such a portfolio may contain instruments or complex arrangements of multiple instruments that are difficult to understand or evaluate. Such a portfolio may suffer further deterioration after purchase by the Clients before it is possible to ameliorate such risk. As a consequence, there is substantial risk that the Clients and/or CCIA will not be able to adequately evaluate particular risks or that market movements or other adverse developments will cause the Clients to incur substantial losses on such transactions.

Investments in distressed companies may involve substantial risk. The level of analytical sophistication necessary for successful investment in distressed companies is particularly high. Operational, capital structure and management issues may be complex and difficult to successfully resolve. In addition, such investments may require active monitoring and direct management of the distressed company by CCIA personnel. Bankruptcy situations may be adversarial and are often beyond the complete control of the creditors. The rate of return on such investments will depend upon, among other factors, the duration of bankruptcy cases, which can only be roughly estimated.

Investments made in assets and companies operating in workout modes or under applicable bankruptcy laws could, if the investing Client inappropriately exercises control over the management and policies of the debtors, be subordinated or disallowed and, in such circumstances, such Client could be liable to third parties. Furthermore, under certain circumstances, payments to Clients in respect of such investments, and distributions to investors of such Clients, may be reclaimed if any such payment or distributions is later determined to have been a fraudulent conveyance or a preferential payment under concepts of applicable bankruptcy laws.

*Market Recovery Risk.* A Client's investment strategy for certain assets may rely, in part, upon local market recoveries during the term of the Client. No assurance can be given that any such markets will recover since this will depend, in part, upon events and factors outside the control of the general partner of the applicable Client and CCIA.

*Subordinated Debt Risk.* Certain of the Clients' investments may consist of loans or securities, or interests in pools of securities that are subordinated or may be subordinated in right of payment and ranked junior to other securities issued by, or loans made to obligors. If an obligor experiences financial difficulty, holders of its more senior securities will be entitled to payments in priority to the Clients. After repaying the senior creditors, such obligor may not have any remaining assets to repay its obligations to the Client. Some of the Clients' asset-backed investments may also have structural features that divert payments of interest and/or principal to more senior classes of loans or securities backed by the same assets when loss rates or delinquency exceeds certain levels. This may interrupt the income the Clients receive from their investments, which may lead to the Clients having less income to distribute to limited partners.

*Non-Performing Debt Risk.* Certain Clients may make substantial investments in non-performing or other troubled assets, which involve a degree of financial risk and are experiencing or are expected to experience severe financial difficulties that may never be overcome. Investments in certain instances may have been originated by

financial institutions which are insolvent or in serious financial difficulty or are no longer in existence. As a result, the standards by which such investments originated, the recourse to the selling institution, and/or the standards by which such investments are being serviced or operated may be adversely affected. Further, investments in properties operating under the close supervision of a mortgage lender are, in certain circumstances, subject to certain additional potential liabilities that may exceed the value of the investing Client's original investment therein. For example, under certain circumstances, lenders who have inappropriately exercised control of the management and policies of a debtor may have their claims subordinated or disallowed or may be found liable for damages suffered by parties as a result of such actions.

*Default Risk.* Certain Client's income is expected to be derived largely from repayments of principal and interest received in respect of debt instruments. A wide range of factors may adversely affect an obligor's ability to make repayments, including: adverse changes in the financial condition of such obligor or the industries or regions in which it operates; the obligor's exposure to counterparty risk; systemic risk in the financial system and settlement; changes in law or taxation; changes in governmental regulations or other policies; natural disasters; terrorism; social unrest, civil disturbances or general economic conditions. Default rates tend to accelerate during economic downturns.

Any defaults may have a negative impact on the value of the applicable Client's investments and may reduce the return that such Client receives from its investments in certain circumstances. While some amount of defaults is expected to occur in Clients' portfolios, defaults in or declines in the value of the Clients' investments in excess of these expected amounts may result in breaches of covenants under the respective Client's financing arrangements, triggering credit enhancement requirements or accelerated repayment provisions and, if not cured within the relevant grace periods, permitting the finance provider to enforce its security over all the assets of the affected Client.

In the case of debt ranking equally with the loans or debt securities in which a Client invests, such Client would have to share on an equal basis any distributions with other creditors holding such debt in the event of an insolvency, liquidation, dissolution, reorganization or bankruptcy of the relevant investee company. Each jurisdiction in which Clients invest has its own insolvency laws. As a result, investments in similarly situated companies in different jurisdictions may confer different rights in the event of insolvency.

*Bankruptcy Procedure Risk.* Many of the events within a bankruptcy case are adversarial and often beyond the control of the creditors. While creditors generally are afforded an opportunity to object to significant actions, there can be no assurance that a bankruptcy court would not approve actions which may be contrary to the interests of the Client. Furthermore, there are instances where creditors and equity holders lose their ranking and priority as such if they are considered to have taken over management and functional operating control of a debtor.

Generally, the duration of a bankruptcy case can only be roughly estimated. The reorganization of a company usually involves the development and negotiation of a plan of reorganization, plan approval by creditors and confirmation by the bankruptcy court. This process can involve substantial legal, professional and administrative costs to the company and the Client; it is subject to unpredictable and lengthy delays; and during the process the company's competitive position may erode, key management may depart and the company may not be able to invest adequately. In some cases, the company may not be able to reorganize and may be required to liquidate assets. The debt of companies in financial reorganization will, in most cases, not pay current interest, may not accrue interest during reorganization and may be adversely affected by an erosion of the issuer's fundamental values. Such investments can result in a total loss of principal.

United States bankruptcy law permits the classification of "substantially similar" claims in determining the classification of claims in a reorganization for purpose of voting on a plan of reorganization. Because the standard for classification is vague, there exists a significant risk that the Client's influence with respect to a class of securities can be lost by the inflation of the number and the amount of claims in, or other gerrymandering of, the class. In addition, certain administrative costs and claims that have priority by law over the claims of certain creditors (for example, claims for taxes) may be significant.

Furthermore, there are instances where creditors and equity holders lose their ranking and priority as such when they take over management and functional operating control of a debtor. In those cases where the Client, by virtue of such action, is found to exercise "domination and control" of a debtor, the Client may lose its priority if it can be demonstrated that the debtor's business was adversely impacted or other creditors and equity holders were harmed by the Client.

Investments in the debt of financially distressed companies domiciled outside the United States involve additional risks. Bankruptcy law and process may differ substantially from that in the United States, resulting in greater uncertainty as to the rights of creditors, the enforceability of such rights, reorganization timing and the classification, seniority and treatment of claims. In certain developing countries, although bankruptcy laws have been enacted, the process for reorganization remains highly uncertain.

*Participation Interests Risk.* The Clients may purchase participation interests in debt instruments which do not entitle the holder thereof to direct rights against the obligor. Participations held by the Clients in a selling institution's portion of a debt instrument typically result in a contractual relationship only with such selling institution, not with the obligor. The Clients have the right to receive payments of principal, interest and any fees to which they are entitled only from the institution selling the participation and only upon receipt by such selling institution of such payments from the obligor. Additionally, the transparency of financial statements used by such financial institutions, in particular, with respect to the value of complex financial assets, has been called into question. When the Clients hold a participation in a debt instrument, they may not have the right to vote to waive enforcement of any restrictive covenant breached by an obligor or, if the Clients do not vote as requested by the selling institution, they may be subject to repurchase of the participation at par. Selling institutions voting in connection with a potential waiver of a restrictive covenant may have interests different from those of the Clients, and such selling institutions may not consider the interests of the Clients in connection with their votes.

*Fraudulent Conveyance Risk.* Various federal and state laws enacted for the protection of creditors may apply to a Client's investments by virtue of the role of such Client as a creditor with respect to such investments. If a court, in a lawsuit brought by an unpaid creditor or representative of creditors of an obligor under a portfolio investment, such as a trustee in bankruptcy or the obligor as debtor-in-possession, were to find that the obligor did not receive fair consideration or reasonably equivalent value for incurring indebtedness evidenced by an investment and the grant of any security interest or other lien securing such investment, and, after giving effect to the incurring of such indebtedness, the obligor (i) was insolvent, (ii) was engaged in a business for which the assets remaining in such obligor constituted unreasonably small capital, or (iii) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature, such court could invalidate, in whole or in part, such indebtedness and such security interest or other lien as fraudulent conveyances, subordinate such indebtedness to existing or future creditors of the obligor or recover amounts previously paid by the obligor (including to the Client) in satisfaction of such indebtedness or proceeds of such security interest or other lien previously applied in satisfaction of such indebtedness. In addition, in the event of the insolvency of an issuer or other obligor of an Investment, payments made on the investment could be subject to avoidance as a "preference" if made within a certain period of time (which may be as long as one year) before insolvency depending on a number of factors, including the amount of equity of the obligor owned by the Client and its affiliates and any contractual arrangements between the obligor, on the one hand, and the Client and its affiliates, on the other hand. The measure of insolvency for purposes of the foregoing will vary depending on the law of the jurisdiction which is being applied. Generally, however, an obligor would be considered insolvent at a particular time if the sum of its debts was greater than all of its property at a fair valuation or if the present fair saleable value of its assets was then less than the amount that would be required to pay its probable liabilities on its existing debts as they became absolute and matured. There can be no assurance as to what standard a court would apply in order to determine whether an obligor was insolvent after giving effect to the incurrence of the loan or that, regardless of the method of evaluation, a court would not determine that the obligor was "insolvent" upon giving effect to such incurrence. In general, if payments on investments are avoidable, whether as fraudulent conveyances or preferences, such payments can be recaptured either from the initial recipient (such as the Client) or from subsequent transferees of such payments, including limited partners.

*Equitable Subordination Risk.* 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, including equitable subordination (collectively termed "lender liability"). Generally, lender liability is founded upon the premise that the institutional 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 the creation of a fiduciary duty owed to the borrower. The Client, as a creditor, may be subject to allegations of lender liability. Furthermore, the Client may be unable to control the conduct of the other lenders under a loan syndication agreement requiring less than a unanimous vote, yet the Client may be subject to lender liability for such conduct.

*Derivative Risks and Synthetic Securities Risk.* Client investments may consist of derivatives and synthetic securities such as swaps (including total return swaps and credit default swaps), over-the-counter transactions, collateralized loan obligations, commercial mortgage-backed securities and residential mortgage-backed securities ("CLOs", "CMBs" and "RMBSs," as applicable) and other derivative instruments. Investments through the purchase of synthetic securities present risks in addition to those resulting from direct purchases of the underlying securities or assets. The Client generally will have no right directly to enforce compliance by the underlying obligor with the terms of the underlying obligation nor any rights of set-off against the underlying obligor, nor have any voting or other consensual rights of ownership with respect to the underlying obligation. The Client will not directly benefit from any collateral supporting the underlying obligation and will not have the benefit of the remedies that would normally be available to a holder of such underlying obligation.

*Assignments Risk.* The Clients may also purchase assignments, which are arrangements whereby a creditor assigns an interest in a loan to the Clients. The purchaser of an assignment typically succeeds to all the rights and obligations of the assignor of the loan and becomes a lender under the loan agreement and other operative agreements relating to the investment. Assignments are, however, arranged through private negotiations between potential assignees and potential assignors, and the rights and obligations acquired by the purchaser of an assignment may differ from, and be more limited than, those held by the assignor of the loan.

*Small Private Companies Risk.* Investments made in private companies involve a number of particular risks, including: (i) these companies may have limited financial resources and limited access to additional financing, which may increase the risk of their defaulting on their obligations, leaving creditors such as Clients dependent on any guarantees or collateral that they may have obtained; (ii) these companies frequently have shorter operating histories, narrower product lines and smaller market share than larger businesses, which render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns; (iii) there may not be as much information publicly available about these companies as would be available for public companies and such information may not be of the same quality; and (iv) these companies are more likely to depend on the management talents and efforts of a small group of persons; as a result, the death, disability, resignation or termination of one or more of these persons could have a material adverse impact on these companies' ability to meet their obligations.

## **Risks Related to Investments in Growth-Oriented Companies in Emerging Markets**

*Emerging Markets: Political, Economic and Social Factors.* Investments in an emerging market, such as Latin America, entail risks of a nature and degree not typically encountered in investments in developed markets. Certain developments (such as, amongst others, political changes, changing government regulation or other similar developments), which are beyond the control of CCIA, could adversely affect the value of investments. Specifically, the developing status of such an emerging market can affect its political, social and economic stability. Emerging market economies may differ favorably or unfavorably from other economies in several respects, including the rate of growth of gross domestic product, interest rates, inflation levels, resource self-sufficiency and the stability of the local currency.

*Reliance on Portfolio Company Management.* Although CCIA intends to invest in portfolio companies that have strong management teams and/or to assist in enhancing management teams, there can be no assurance that any portfolio company's management team will be able to operate successfully. In addition, instances of fraud and other deceptive

practices committed by the management team of portfolio companies in which CCIA has an investment may undermine due diligence efforts with respect to such companies. The success or failure of a portfolio company, including its compliance with applicable law, will depend to a significant extent on the portfolio company's management team.

*Operating Risks of Investments.* Portfolio companies generally will be developing companies in industry sectors that entail significant operating risk. Many of the portfolio companies will be at an early stage of development with little or no operating history and no established products or services. Many of the portfolio companies will need substantial additional capital (which may not be available) to support additional research and development activities, expansion or to achieve or maintain a competitive position. These companies may experience failures or substantial declines in value at any stage and may face intense competition, including from companies with greater financial resources, more extensive development, manufacturing, marketing and service capabilities and a larger number of qualified managerial and technical personnel.

*Investments in Small Capitalizations / Growth-Oriented Companies.* CCIA may invest a portion of its assets in the securities of small, less established and/or growth-oriented companies. Those companies involve higher risks in some respect than do investments in larger companies. For example, prices of small-capitalization companies are often more volatile than prices of large-capitalization companies and the risk of bankruptcy or insolvency of many smaller companies is higher than for larger, "blue-chip" companies. In addition, there may be fewer investors for smaller companies, making an investment in those companies highly illiquid. Some small companies have limited product lines, distribution channels and financial managerial resources. Some of the companies in which CCIA invests may have product lines that have, in whole or in part, only recently been introduced to market or that may still be in research or development stage. Such companies may also be dependent on personnel with limited experience.

#### **Item 9: Disciplinary Information**

Neither CCIA nor any of its officers, directors, employees or other management persons, have been involved in any legal or disciplinary events in the past 10 years that would require disclosure in response to this Item.

## Item 10: Other Financial Industry Activities and Affiliations

CCIA and its affiliates serve as manager, adviser, general partner and managing member to Clients. CCIA and its affiliates will devote such time as shall be necessary to conduct the business affairs of each of its Clients in an appropriate manner. However, personnel of CCIA and its affiliates will work on several projects at any time and, therefore, conflicts may arise in the allocation of personnel and other management resources. CCIA and its affiliates are not required to manage any one Client as its sole and exclusive function, and CCIA, its affiliates and their respective agents, officers, directors and personnel may engage in or possess any interests in business ventures and may generally engage in other activities independently or with others, including the rendering of advice or services of any kind to other investors and the making or management of other investments or other investment Clients.

Each CCIA Adviser is an indirect subsidiary of DigitalBridge. In some cases, CCIA Advisers, CCIA, or a DigitalBridge affiliate has business arrangements with related persons/companies that are material to their advisory business or to a Managed Fund. In some cases, these business arrangements create a potential conflict of interest, or appearance of a conflict of interest between a CCIA Adviser and a Managed Fund.

DigitalBridge and Digital Bridge Holdings, LLC (“DBH”), an indirect subsidiary of DigitalBridge Group, Inc., formed DigitalBridge Investment Management, LLC (“DBIM”) in November 2017. DBIM is a separately registered investment advisor and sponsors private investment funds and co-investment vehicles that invest in i) mobile and internet infrastructure, including data centers, macro cell towers, fiber networks and small cell networks (collectively, “Digital Infrastructure”) primarily via privately negotiated investments and ii) Digital Infrastructure and related commercial real estate via publicly traded securities.

On July 25, 2019, DBH completed a business combination with DigitalBridge. As part of the transaction, DigitalBridge acquired 100% of Digital Bridge Holdings, LLC, the parent company of Digital Bridge Advisors, LLC. Digital Bridge Advisors is a separately registered investment advisor and sponsors privately offered special purpose vehicles, each formed to facilitate investments in portfolio companies focusing on Digital Infrastructure.

On February 2, 2023, DigitalBridge through certain of its subsidiaries acquired AMP Capital Investors Limited’s global infrastructure equity investment management business. InfraBridge Investors (UK) Limited and InfraBridge Investors (US) Limited each became an indirect majority-owned subsidiary of DigitalBridge. [InfraBridge Investors \(UK\) Limited](#) is a non-U.S. investment adviser, which holds a UK Financial Services License authorizing it to carry on a financial services business in the UK and it has been an Exempt Reporting Adviser in the US since September 26, 2018. InfraBridge Investors (US) Limited is a separately registered investment advisor and provides non-discretionary investment recommendations to InfraBridge Investors (UK) Limited in respect of private infrastructure equity investment opportunities in the Americas.

Colyzeo Investment Management Limited (“Colyzeo”), a company incorporated under the laws of England and Wales, provides real estate investment advisory services in Europe to various private pooled investment vehicles, and is engaged to provide investment management and operating services to these vehicles. Colyzeo is authorized by and registered under the United Kingdom Financial Conduct Authority to manage the investment vehicles’ operations and to provide discretionary management services.

The Managed Funds also pay fees to affiliated and unaffiliated entities to provide account and other services to the Managed Funds and to manage properties in which Managed Funds invest. CCIA may have incentives to select the services of affiliated entities or entities involved in strategic relationships, even if such services could be provided as well by other entities. For additional information please refer to Items 4 and 5 within this brochure.

CCIA’s investment professionals devote time to the management of multiple Managed Funds, which will impact allocations of management resources.

CCIA may recommend that one Managed Fund invest in, or engage in transactions with, other Managed Funds. CCIA has an incentive to favor investments in or between, or corporate combinations, reorganizations or other transactions between or among, two or more Managed Funds that may increase CCIA's overall remuneration.

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

### **Code of Ethics**

CCIA has adopted a Joint Code of Ethics (the "Code") that applies to all CCIA personnel. This Code describes the standard of conduct that CCIA requires of all of its personnel and describes certain restrictions on activities such as personal trading, receipt of material, non-public information, and engaging in outside business activities. Compliance with the Code is a condition of employment for all of CCIA's personnel, and a serious violation of the Code or its related policies may result in serious reprimand, up to and including dismissal. Certain key provisions of the Code are summarized below. CCIA will provide a copy of the Code to any client or prospective client upon request.

### **Personal Trading**

Personnel considered "access persons" within the meaning of Rule 204A-1 under the Advisers Act may purchase and sell for their own accounts the same securities purchased or sold on behalf of Clients. However, given the nature and size of the real estate investments made on behalf of Clients, such personal trading activity is not expected to be likely. Notwithstanding the probability of such activity, because the Code permits personnel to invest in the same securities as Clients, there is a possibility that personnel might benefit from market activity by a Client in a security or other investment held by an employee. To mitigate this possible conflict of interest and others that may arise, CCIA has established policies requiring "access persons" to obtain pre-clearance before investing in certain reportable securities including, but not limited to, initial public offerings and private placements (including private equity fund and hedge fund investments). In addition, CCIA monitors for conflicts of interest on a periodic basis and will not allow any of its "access persons" to buy or sell securities for their own accounts at or about the same time that CCIA buys or sells securities or other investments for Clients if CCIA feels that there is a possibility that the personal trade would benefit from CCIA's investment activities.

All of the personnel of CCIA and its Affiliated Advisers are required to annually certify that they have complied with the Code and CCIA's access persons are required to make annual reports regarding their personal securities account holdings and quarterly reports regarding their personal securities trading activity.

### **Participation or Interest in Client Transactions**

CCIA personnel must obtain prior permission of the CCO or designee for certain transactions that appear to pose a conflict of interest or otherwise appear improper. In particular, all CCIA personnel must have written pre-clearance for all transactions involving reportable securities. Additionally, co-investments with Clients could present conflicts of interest if not properly structured and monitored. With regard to an access person's investment in a limited offering sponsored by CCIA or Affiliated Advisers, such access person shall not be required to obtain pre-approval of the CCO for an "initial" investment or subscription to such affiliated limited offering. Rather, the acceptance of a subscription document shall serve as evidence of pre-approval of such person's investment in the affiliated limited offering. All subsequent investments in such affiliated limited offering(s) that do not require the execution of additional subscription documents will require pre-approval of the CCO. The CCO or designee is responsible for monitoring co-investments by the Manager and its personnel. CCIA and the Affiliated Advisers maintain one or more lists of restricted securities in which CCIA may have material non-public information. CCIA personnel are prohibited from trading in issuers on the restricted list unless specifically approved by the CCO or designee.

### **Gifts and Entertainment**

CCIA has policies in place governing the types and value of gifts and forms of entertainment that its personnel may accept from broker-dealers, vendors, current or prospective clients.

### **Cross-Trades and Principal Transactions**

From time to time, CCIA may execute cross trades among Clients. CCIA only will execute cross trades between client accounts when such a transaction is reasonably expected to be advantageous to both participants. Any such transactions must be in accordance with applicable law, Governing Documents and CCIA's internal policies and procedures.

CCIA may also from time to time execute principal trades between its Clients and the balance sheet of DigitalBridge. CCIA may also be considered to be engaging in a principal transaction if it were to enter into a transaction between the Company and another client advised by CCIA or an affiliate of DigitalBridge. In cases where CCIA would be deemed to be engaging in a principal transaction, CCIA will disclose to any applicable Clients the capacity in which it or an affiliate is acting and obtain such Client's consent before the completion of each transaction. Principal transactions also create potential conflicts of interest, including conflicts related to pricing and execution costs of the transaction. CCIA will take steps to manage or avoid conflicts of interest when engaging in such transactions in accordance with applicable law.

### **Other Conflicts**

CCIA and the Affiliated Advisers manage investments on behalf of different Clients. Certain Clients have investment programs that are similar or overlap and may, therefore, participate with each other in (or compete for) investments. Because of the diversity of investment strategies and objectives, risk tolerances, capital positions, tax situations and differences in the timing of capital contributions and withdrawals, there will be differences in invested positions held or investment appetites among the Clients. Any allocation of investments among the Clients by CCIA will be made in a manner consistent with each Client's investment objectives. Investment decisions and allocations are not necessarily made in parallel among all of the Clients. In all cases, allocation requirements (if any) set forth in the Clients' Governing Documents will control. CCIA in its sole discretion may allow multiple Clients to co-invest in a particular investment, based upon a variety of factors including, among other factors, investment strategy, mandate or area of focus; risk management (e.g., volatility, liquidity, diversification and concentration in light of each Client's existing portfolio and investment pipeline); fund restrictions or limitations; tax or legal considerations; and cost or availability of financing. Because CCIA may allocate a particular investment among the Clients unequally, the Clients may produce results that are materially different from one another. (See Item 12: Brokerage Practices – Allocation Policy)

## **Item 12: Brokerage Practices**

### **Transaction Execution and Broker-Dealer Selection**

CCIA seeks to minimize the cost and expense of investment transactions effected on behalf of Managed Funds while also seeking to achieve the most efficient structure of such investments, taking into account, among other things, tax, regulatory and client-specific considerations. These costs and expenses may vary from Managed Fund to Managed Fund, and transactions may be effected differently for one Managed Fund than another, as a result of various factors, including, without limitation, the location of a client, the location and nature of the particular investment involved, and other client-specific considerations, including the brokerage practices of any Sub-Adviser engaged for the Client. In certain instances, CCIA may aggregate assets among Managed Funds in connection with a portfolio sale in order to seek the best transaction outcome for each Managed Fund. In such instances, the applicable Managed Funds share transaction expenses on a pro-rata basis.



CCIA uses unaffiliated brokers, which are selected on the basis of: (i) the reasonableness of such brokers' commissions relative to others offering similar services; and (ii) the ability of such brokers to obtain best execution. Not all portfolio transactions require or involve a broker-dealer and it is not anticipated that transactions entered into by Sub-Advisers will involve a broker-dealer. When it is deemed necessary or appropriate to involve a broker-dealer in portfolio transactions for the Managed Funds, such transactions will be allocated to brokers and dealers on the basis of CCIA's best execution policies. The factors considered in selecting and approving brokers-dealers that are used to execute trades for a Managed Fund's accounts include, but are not limited to: (i) the reasonableness of the broker-dealer's commissions relative to others offering similar services; (ii) the ability of such broker-dealer to execute a transaction efficiently and appropriately; (iii) the broker-dealer's general expertise and background; (iv) the type and size of the transaction involved; (v) the stability or solvency of the service provider or counterparty; (vi) settlement capabilities; (vii) time required to complete the role sought; and (viii) research services or any arrangements relating to overall performance in the best interest of the Client.

CCIA accepts only proprietary research from the brokers and does not enter into any formal soft dollar arrangements whereby it receives research or any other benefit from third parties. Research services received from brokers and dealers are supplemental to CCIA's own research effort. To the best of CCIA's knowledge, these services are generally made available to all institutional investors doing business with such broker-dealers. CCIA does not separately compensate such broker-dealers for the research and does not believe that it "pays-up" for such broker-dealers' services due to the difficulty associated with the broker-dealers not breaking out the costs for such services. CCIA's acceptance of research from brokers is done in accordance with the provisions of Section 28(e) of the Securities Exchange Act of 1934, as amended.

CCIA is under no obligation to reimburse a Managed Fund for any errors or mistakes of CCIA with respect to placing or executing trades for a Managed Fund or any other administrative errors made by CCIA, its agents and affiliates ("Trade or Administrative Errors"). Trade or Administrative Errors are considered by CCIA to be a cost of doing business. However, CCIA will be obligated to reimburse a Client for any Trade or Administrative Error resulting from CCIA's willful misconduct or gross negligence. Any correction of a Trade or Administrative Error will only be made to the extent required so that a Client does not incur a loss or to minimize a loss related to such Trade or Administrative Error. CCIA will determine whether or not any Trade or Administrative Error is required to be reimbursed, and Trade or Administrative Errors that result in losses to a Client will be netted against Trade or Administrative Errors that result in gains to a Client before reimbursing such Trade or Administrative Errors. Any net gain resulting from Trade or Administrative Errors will be for the benefit of a Client and will not be retained by CCIA.

### **Allocation Policy**

CCIA or an Affiliated Adviser will allocate investment opportunities that may be suitable for Clients and DigitalBridge in accordance with CCIA's and the Affiliated Advisers' investment allocation policy. The investment allocation policy seeks to ensure that investment opportunities are allocated in a fair and equitable manner over time, consistent with CCIA's fiduciary duty to Clients and in a manner that is consistent with each of its Client's particular characteristics, including their investment objectives, restrictions and risk profile. Generally, as a fiduciary, CCIA is prohibited from making investment allocation decisions solely based on any of the following considerations, which include but are not limited to: (i) unduly favoring one client (or group of clients) at the expense of another, including any proprietary or personal accounts of its associated persons or affiliates of CCIA; (ii) generating higher fees paid by one client (or group of Clients) over another or to produce greater performance compensation to the Manager; (iii) compensating a Client (or group of Clients) for past services or benefits rendered to the Manager or to induce future services or benefits to be rendered to CCIA; and (iv) managing or equalizing investment performance among different Clients (or group of Clients).

The decision of how any potential investment should be allocated among Clients in many cases may be a matter of highly subjective judgment, which will be made by the Manager in its sole discretion; such transactions are not

required to be presented to Clients' board of directors for approval, and there can be no assurance that any conflicts will be resolved in a Client's favor.

CCIA and/or the Affiliated Advisers may revise the investment allocation policy and may in the future change then-existing, or adopt additional, conflicts of interest resolution policies and procedures designed to support the fair and equitable allocation of investments and to prevent the preferential allocation of investment opportunities among entities with overlapping investment objectives.

### **Trade Aggregation Policy**

There may be occasions when CCIA decides to purchase or sell the same security or financial instrument for several Clients at approximately the same time. CCIA from time-to-time (but is not obligated to) combines or “bunches” such orders in order to secure certain efficiencies and results with respect to execution, clearance and settlement of orders. CCIA is not obligated to include any Client in an aggregated trade. While CCIA may effect trades in this manner to reduce the overall level of brokerage commissions paid or otherwise enhance the proceeds or other benefits of the trade for its clients, CCIA will not favor any Client over any other Client on an overall, long-term basis. Each Client that participates in an aggregated order will participate at the average price, with transaction costs shared pro rata based on each Client’s participation in the transaction.

The aggregation of orders could lead to a conflict of interest in the event an order cannot be entirely fulfilled and CCIA is required to determine which accounts should receive executed shares and in what order. CCIA will generally endeavor to aggregate and allocate orders in a manner designed to ensure that no particular Client or account is favored and that participating Clients are treated in a fair and equitable manner over time.

CCIA will receive no additional compensation or remuneration of any kind as a result of the aggregation of client trades.

CCIA will act in a manner it believes is fair and equitable for its clients as a group when bunching and price averaging.

### **Item 13: Review of Accounts**

Each Client is monitored by a team that is responsible for performance monitoring and reporting, financial risk management and all non-real estate aspects of the Client such as corporate, legal, tax, accounting, financing, hedging and cash distribution. Additionally, CCIA has certain investment committee(s) that approves each transaction (or other significant investment-related or corporate activity) made on behalf of a Client and the allocation of those transactions, as discussed in Item 12.

Certain Clients prepare unaudited reports on a quarterly basis, providing summary financial and other information about the Client, and audited financial statements of the Client annually. CCIA may provide certain investors with information on a more frequent and detailed basis if agreed to by CCIA.

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

CCIA is not currently seeking new Clients and has not engaged any parties to solicit Clients nor does it receive compensation from sources other than its Clients for providing advice to its Managed Fund clients.

CCIA has in the past engaged, or caused its Managed Fund clients to engage and compensate placement agents for introducing Managed Fund clients to, and to market and sell interests or shares in Managed Fund clients to, prospective investors, in such Managed Funds. CCIA requires placement agents to have all appropriate licenses and registrations to conduct their business, including when applicable, to be registered as broker-dealers with

the SEC and to be members of FINRA. Subject to its duty to obtain best execution, CCIA has in certain circumstances taken such introductions into account as a factor in the selection of brokers to execute portfolio transactions for Managed Funds.

#### **Item 15: Custody**

In connection with the management of investments for Clients, CCIA may have, or may be deemed to have, custody of a Client's funds or securities. Rule 206(4)-2 under the Advisers Act (the "Custody Rule"), which defines custody as holding client securities or assets or having any authority to obtain possession of them, including the authority to withdraw funds or securities from a client's accounts or ownership of or access to client funds or securities (such as through fee deductions).

CCIA expects that each Client for which it is deemed to have custody will: (i) be audited at least annually by an independent public accountant; and (ii) distribute its audited financial statements prepared in accordance with generally accepted accounting principles to its investors within 120 days of its fiscal year-end. Investors should contact CCIA if they fail to receive such financials in a timely manner.

#### **Item 16: Investment Discretion**

As a general rule, CCIA receives discretionary investment authority from each Client at the outset of an advisory relationship. Depending on the terms of the Client asset management or advisory agreement, CCIA's authority may include the ability to select Sub-Advisers or brokers and dealers through which to execute transactions on behalf of the relevant Client, and select the commission rates, if any, at which transactions are effected. In making decisions as to which securities are to be bought or sold and the amounts thereof, CCIA is guided by the mandate selected by the Client and any investment guidelines or restrictions imposed by the Client. CCIA generally is not required to provide notice to, consult with, or seek the consent of the Client prior to engaging in transactions, including the engagement or replacement of Sub-Advisers, that fall within a Client's approved investment guidelines.

#### **Item 17: Voting Client Securities**

Due to the nature of CCIA's investment programs, CCIA may receive proxy voting proposals with respect to listed equity securities. Additionally, CCIA may, from time to time, receive amendments, consents or resolutions applicable to investments held by Clients (collectively, "proxies"), such as limited partner consents for real estate private equity funds in which Clients may invest, and is generally granted authority to vote and consent on such matters on behalf of Clients. CCIA's portfolio managers and/or investment management teams are required to remain aware of any proxy that requires a vote, consent or election. Further, CCIA's portfolio managers and/or investment management teams determine the appropriate manner in which such proxy shall be voted, including circumstances in which it is most appropriate to abstain from voting, and maintain documentation of how each proxy was voted and provide such documentation to the CCO or designee periodically.

CCIA seeks to vote each Client's proxies in the best interest of that Client and in a manner consistent with its fiduciary duties and has adopted proxy voting policies and procedures designed to ensure that proxies are properly voted and that any conflicts of interest are addressed appropriately. Due to the difficulty of predicting and identifying material conflicts, CCIA relies on its personnel, such as Portfolio managers and/or investment management teams, to notify the CCO or designee of material conflicts that may impair CCIA's ability to vote proxies appropriately. CCIA may have conflicts of interest, for example, where it has a substantial business relationship with a company and a failure to vote in favor of company management could harm CCIA's relationship with company management. If a material conflict exists, the Chief Compliance Officer or designee will take such steps as he or she deems necessary in order to determine how to vote the proxy in the best interests of the client, including, but not limited to, consulting with the legal department, outside counsel, a proxy consultant or the investment professionals responsible for the relevant portfolio investment. In each instance, when exercising its

voting discretion, CCIA seeks to avoid any direct or indirect conflict of interest between its clients and its voting decision. One Client's best interests with respect to a proxy vote may diverge from the interests of other Managed Funds, joint venture partners, CCIA and/or CCIA's affiliates. This may result in CCIA casting votes for one Client that differs from votes cast for other Clients or in CCIA taking other steps to mitigate any conflicts that may arise. In no event, however, will CCIA be obligated to vote, or refrain from voting its own securities, securities held by another client or securities held by an affiliate or joint venture partner in a manner that is inconsistent with CCIA's view as to the best interests of such holders, simply because a Client has a differing interest.

A copy of CCIA's proxy voting policy and information with respect to any specific proxy votes submitted on behalf of the relevant Client may be obtained by contacting our CCO.

**Item 18: Financial Information**

Not applicable.