

## **Whitehorse Liquidity Partners Inc.**

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**March 28, 2024**

This “**Brochure**” provides information about the qualifications and business practices of Whitehorse Liquidity Partners Inc. (hereinafter “**Whitehorse**”, “**we**”, “**us**”, “**our**” or the “**Firm**”). If you have any questions about the contents of this Brochure, please contact us at 647-925-1284 or [compliance@whitehorseliquidity.com](mailto:compliance@whitehorseliquidity.com). Information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“**SEC**”) or by any state securities authority.

Whitehorse is a registered investment adviser with the SEC. Registration with the SEC does not imply a certain level of skill or training.

Additional information about Whitehorse Liquidity Partners Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2: Material Changes**

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This Brochure is dated as of March 28, 2024, and will be amended annually or as necessary to reflect material changes. The Brochure is being filed in connection with Whitehorse's annual update of Form ADV. While there have been no material changes since the last brochure was submitted to the SEC on May 12, 2023, the Brochure reflects updates to the description of potential conflicts of interest and the business practices of Whitehorse and supplements existing disclosures relating to the Firm under "Advisory Business," "Fees and Compensation," "Methods of Analysis, Investment Strategies, and Risk of Loss" and "Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading."

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**Item 4: Advisory Business**

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Whitehorse is an independent private equity firm focused on providing structured liquidity solutions to the alternative asset class. Whitehorse was formed in 2015 and is principally owned by Yann Robard, who is also its Managing Partner. Whitehorse's Leadership Team (as defined below) focuses on the strategic direction and management of the Firm and is currently comprised of Yann Robard, Michael Gubbels, Giorgio Riva, Rob Gavin, Joshua Booth, Julian Mirsky, Marilia Bothamley, Derek Miners, Matt Kuchinsky, Chris Englert and Jennifer McGoe (the "**Leadership Team**"), who collectively have over 180 years of total experience in investing, managing and administering private equity investments, including the structuring and execution of complex secondary transactions.

Whitehorse's clients are primarily structured as limited partnership vehicles (each a "**Fund**" and collectively, together with any future private investment fund or other account managed by Whitehorse and/or its affiliates, the "**Funds**") in which investors are limited partners and a Whitehorse entity serves as the general partner (each, a "**General Partner**"), although Whitehorse could in the future establish separate accounts pursuant to limited partnership agreements (or analogous documents) or separate investment management agreements and could establish one or more other investment vehicles other than Funds. Each General Partner is deemed registered under the Investment Advisers Act of 1940, as amended (the "**Advisers Act**") pursuant to Whitehorse's registration in accordance with SEC guidance. This Brochure also describes the business practices of the General Partners, which operate as a single advisory business together with Whitehorse. References in this document to the General Partner of a Fund will, with respect to any such Fund, refer to Whitehorse or any affiliate having ultimate responsibility and authority in respect of such Fund, as applicable.

Whitehorse and each General Partner tailors its advisory services to the specific investment objectives and restrictions of each Fund as provided in the specific Fund's limited partnership agreement, confidential private placement memorandum, investment management agreement and/or other governing documents (collectively, the "**Governing Documents**"). Investors (generally referred to herein as "investors" or "limited partners") and prospective investors of each Fund should refer to the Governing Documents of the applicable Fund for complete information on the investment objectives and restrictions with respect to such Fund. There is no assurance that any Fund's investment objectives will be achieved.

Investors in the Funds participate in the overall investment program of the applicable Fund, but in certain circumstances, are excused from a particular investment due to legal, regulatory or other agreed-upon circumstances pursuant to the Governing Documents or a Side Letter (as defined below). For the avoidance of doubt, such arrangements generally do not and will not create an adviser-client relationship between Whitehorse and any investor.

In accordance with common industry practice, the Funds and/or the General Partners are permitted to enter "side letters" or other similar agreements ("**Side Letters**") with certain investors that have the effect of establishing rights under, or altering or supplementing the terms (including economic or other terms) of, the Governing Documents with respect to such investors that are not made available to investors in the Funds generally. These agreements will generally be disclosed only to those actual or potential investors in a Fund that have separately negotiated with the General Partner of the Fund for the right to review these agreements.

Additionally, as permitted by the Governing Documents, Whitehorse expects to provide (or agrees to provide) investment or co-investment opportunities (including the opportunity to participate in co-invest vehicles) to certain current or prospective investors or other persons, including other sponsors, market participants, finders, consultants, potential investors and/or service providers alongside one or more of a particular Fund's transactions. Such co-investments typically involve investment and disposal

of interests in the applicable portfolio investment at the same time and on the same terms as the Fund making the investment. However, for strategic and other reasons, a co-investor or co-invest vehicle (including a co-investing Fund) will purchase a portion of an investment from one or more Funds after such Funds have consummated the portfolio investment (also known as a post-closing syndication, sell-down or transfer), which generally will have been initially funded through use of a Fund credit facility and/or capital contributions from investors. Any such purchase from a Fund by a co-investor or co-invest vehicle generally occurs as soon as practicable after completion of the investment, but in certain instances could be well after the Fund's initial purchase. Any such transfer will, unless otherwise reasonably determined by the General Partner, generally be effected at a price (paid by the transferee entity to the transferor entity) equal to cost and pro-rated acquisition expenses plus, if capital has been contributed with respect to such investment, either (i) interest computed at a rate equal to the borrowing-related costs as if such investment were made using a subscription facility (net of any applicable distributions) prior to the investment becoming a permanent portfolio investment of such Fund or (ii) interest computed at a rate equal to a fixed annual rate compounded quarterly on such contributions (net of any applicable distributions) if such investment became a permanent portfolio investment of such Fund, in each case subject to the applicable Governing Documents. However, to the extent any such amounts are not so charged or reimbursed, they generally will be borne by the relevant Fund.

Whitehorse does not participate in any wrap fee programs.

The Firm has regulatory assets under management of \$14,433,854,024 as of December 31, 2023, all managed on a discretionary basis. Regulatory assets under management as noted herein include committed capital for the Funds.

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

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Whitehorse receives certain compensation in connection with the provision of advisory and management services to the Funds. With respect to the Funds, Whitehorse or a General Partner receives such compensation in the form of a priority profit share or management fee from the applicable Fund (the "**GP Share**") that is payable quarterly in advance. The GP Share is generally between 0% and 1.25% per year of committed capital over the life of a Fund, subject to standard time-based reductions in rate (with a floor rate). However, the precise amount of, and the manner and calculation of, the GP Share is set forth in the Governing Documents. As a general matter, Whitehorse will charge and deduct the GP Share directly from the Funds pursuant to the terms of the Governing Documents. Please refer to the Governing Documents of each of the Funds for complete information on the timing of advisory fee payments.

As is generally the case in private equity funds, the Governing Documents provide that a Fund's GP Share will be calculated and charged on a basis that generally is not tied to the Fund's then-current net asset value. From the effective date of the relevant Fund until a date specified in the Governing Documents (the "**Stepdown Date**"), the GP Share generally will be charged based on a formula tied to the limited partner's commitment in the relevant Fund. Further, after the Stepdown Date, the GP Share generally will be charged and calculated based on a formula tied to the amount of investment contributions made by the limited partner to the relevant Fund relating to such Fund's investment(s) in Portfolio Entities (as defined below) that have not been sold, liquidated or otherwise disposed of, and in the case of certain Funds, written off as worthless or written down due to a permanent impairment of value. Under the Governing Documents, where the fair market value of an investment exceeds the contributed capital relating to such investment, GP Share will not be calculated based upon such appreciated value and will instead continue to be calculated based on the basis of the contributed capital of the investment.

As a result, and as is generally the case for private equity funds, the amount of GP Share generally will not correspond with fluctuations in the net asset value of individual investments or of a Fund, including

following the relevant investment period, and will not be reduced in connection with any write downs (whether temporary or permanent), except in the case of investments written off as worthless or written down due to a permanent impairment of value. Except where the Governing Documents expressly provide to the contrary, the GP Share will not be reduced (in whole or in part) in the case of partial distributions (e.g., those resulting from a dividend recapitalization) or reorganizations, restructurings, roll-over investments, extraordinary dividends or similar transactions or in circumstances where one or more other Fund(s) divest their respective investment(s) (including credit investments) in the relevant portfolio investments, whether in whole or in part, in each case in circumstances that do not result in the complete disposition of the relevant Fund's interest therein, and even in cases where the value of the Fund's investment or the Fund's ownership percentage in such investment has been reduced (including substantially reduced) as a result of such transaction.

Further, the GP Share generally will not be reimbursed or refunded under the Governing Documents in the event of realizations, dispositions or partial write-downs or write-offs that occur partway through the relevant calculation period.

All investors and prospective investors in the Funds should review the Governing Documents of the relevant Fund in conjunction with this Brochure for complete information on the fees and compensation payable with respect to a particular Fund. Different Funds may be subject to different management fees and performance-based compensation arrangements (discussed further below). Investors and prospective investors in each Fund should note that similar advisory services may (or may not) be available from other investment advisers for similar or lower fees.

The GP Share is generally subject to waiver or reduction by Whitehorse or the applicable General Partner, in its sole discretion, both voluntarily and on a negotiated basis with select investors. Whitehorse is permitted to exempt certain investors in the Funds from payment of all or a portion of the GP Share, including Whitehorse and any other person designated by Whitehorse, such as its affiliates or personnel. The relevant General Partner reserves the right to make any such exemption from the GP Share by a direct exemption, a rebate by Whitehorse and/or its affiliates, or through other Funds which co-invest with a Fund. For example, in instances where a Whitehorse professional (or an affiliated entity thereof) invests in a Fund, such professional (or such affiliated entity) generally will be exempt from payment of the GP Share with respect to such Fund. Additionally, to the extent permitted by the Governing Documents, certain General Partners have the right to permit investors, affiliated with the General Partner or otherwise, to invest through the relevant General Partner or other vehicles that do not bear the GP Share or other management fees or carried interest. In other circumstances, a General Partner is permitted to reduce the GP Share payable by an investor based on the timing of such investor's commitment to the relevant Fund. Whitehorse retains flexibility to structure its compensation with investors in its sole discretion.

The General Partner of a Fund or one of its affiliates typically will also receive carried interest with respect to certain Funds, as more fully described in the respective Fund's Governing Documents. As with the GP Share, such carried interest is subject to waiver or reduction by Whitehorse or the applicable General Partner, in its sole discretion, both voluntarily and on a negotiated basis with select investors. The carried interest distributed to the General Partner of a Fund or its affiliates is subject to a potential giveback at the end of life of the Fund if it has received excess cumulative distributions.

The Funds generally invest on a long-term basis. Accordingly, fees for advisory services are expected to be paid, except as otherwise described in the Governing Documents, over the term of the relevant Fund, and investors generally are not permitted to withdraw or redeem interests in the Funds.

Principals or other current or former personnel of Whitehorse generally receive salaries and other compensation derived from the GP Share or other compensation received by Whitehorse or its affiliates.

To the extent specified in a Fund's Governing Documents, Whitehorse or its affiliates are permitted to receive transaction fees in connection with the relevant Fund's portfolio investments, and such fees will offset the GP Share otherwise payable to Whitehorse or the General Partner in a specified percentage (e.g., 100%). The remaining amount of such transaction fees will be retained by Whitehorse.

As a matter of practice, Whitehorse is typically paid transaction fees from, on behalf of or with respect to co-investors in an investment, as well as other fees relating to the due diligence, legal or accounting review, administration, management and dispositions of co-investment arrangements. The receipt of such fees will not reduce the GP Share payable by any Fund(s) that have also invested in such investment, and, as a result, a Fund will, in most cases, only benefit with respect to the relevant allocable portion of any such fee and not the portion of any fee related to: (i) General Partner or affiliated partner commitments; or (ii) co-investors or potential co-investors (which could include co-investment vehicles managed by Whitehorse, service providers, third parties, sellers that have rolled their interest or reinvested proceeds in the portfolio investment and/or others), which have the potential to be significant. Transaction fee offsets generally are performed on a net basis, after giving effect to certain taxes and other expenses in connection with the receipt of such fees or the provision of related services, and to the extent transaction fees are paid in kind (including through securities, option grants or other interests), Whitehorse is permitted to calculate the amount of offset based on the then-current value of the in-kind payment, rather than the ultimate value of the interests as of a future date. Unless otherwise agreed with investors, transaction fees generally will be payable without further offset during term extensions, even if the GP Share is reduced or eliminated during the extended term, thus reducing the amounts of GP Share actually offset. Transaction fees will be offset only to the extent they are paid during the holding period of the relevant Fund, and investors generally will not receive the benefit of transaction fees paid prior to the Fund's acquisition, or following the Fund's disposition, of the relevant investment. Similarly, to the extent a former Whitehorse employee becomes a consultant to, or employed by, a portfolio investment, no compensation earned by such former employee will offset the GP Share, whether or not such former employee has a remaining interest in the relevant Fund's General Partner or affiliated entity. Conversely, in the event that Whitehorse employs a person that previously received compensation from a portfolio investment, limited partners will receive the benefit of any applicable offset only beginning as of the relevant start date of the person's employment with Whitehorse, and not with respect to any compensation paid prior to such date, including equity grants made prior to the date of employment that vest thereafter. In certain circumstances, Whitehorse expects that co-investors, lenders, consultants or other parties will negotiate the right to share a portion of such fees from a particular investment, and the above-described offset percentage will be applied after excluding any amounts paid to such persons. Additionally, as further described below, Whitehorse reserves the right to use or retain certain advisors, service providers or their affiliates to provide services to (or with respect to) certain portfolio investments in which one or more Funds invest. Such advisors and service providers are permitted to receive compensation and other amounts described herein from the relevant portfolio investments or Funds to which they provide services, but no such amounts will offset or reduce the GP Share. Each of the foregoing conditions is expected to reduce the amount of transaction fees otherwise available to be offset against the GP Share, resulting in a potential material benefit to Whitehorse over the life of the relevant Fund, and the existence of such potential benefit creates an incentive for Whitehorse to increase such amounts.

The agreement pursuant to which Whitehorse provides advisory services to a Fund may generally only be terminated upon the termination of the limited partnership agreement of the Fund. Accordingly, the Governing Documents of each Fund do not contain any provision for refunds of any advisory fees. However, upon termination of any investment management agreement, any prepaid, unearned fees will be promptly refunded (determined on a pro rata basis based on the number of days elapsed in the applicable payment period), and any earned, unpaid fees will be due and payable.

***Other Fees and Expenses***

In addition to the GP Share and carried interest (if applicable to a Fund), each Fund bears certain expenses. As set forth more fully in the Governing Documents, each Fund bears all fees, costs, expenses, liabilities and obligations relating to the Fund's (and certain of its affiliates', subsidiaries' and intermediate entities') activities, investments and business to the extent not reimbursed by a portfolio investment. Each Fund's Governing Documents provide a more complete description of the expenses permitted to be borne by the Fund. As is typical for private equity funds, the Funds likely bear additional and greater expenses, directly or indirectly, than many other pooled investment products, such as mutual funds, and there can be no assurance that the benefits to investors will be commensurate with such expenses. To the extent brokerage fees are incurred, they will be incurred in accordance with the general practices set forth herein under "*Brokerage Practices.*"

***Allocation of Expenses***

Whitehorse will be required to decide whether certain fees, costs, expenses, liabilities and obligations should be borne by a Fund, on the one hand, or Whitehorse or its affiliates, on the other hand, and/or whether certain fees, costs, expenses, liabilities and obligations should be allocated between or among the Funds and/or other parties. Certain expenses may be the obligation of one particular Fund and may be borne by such Fund, or expenses may be allocated among multiple Funds and entities. In exercising its discretion to allocate fees, costs, expenses, liabilities and obligations, Whitehorse is faced with a variety of potential and actual conflicts of interest. Whitehorse will generally allocate fees, costs, expenses, liabilities and obligations incurred in the course of evaluating and making portfolio investments in which multiple Funds participate (or are expected to participate) in accordance with the applicable Funds' Governing Documents or, to the extent not addressed in such Governing Documents, in its sole discretion, using good faith and its best judgment considering those factors and policies Whitehorse deems relevant and appropriate. Whitehorse will make similar determinations with respect to the allocation of relevant amounts among Whitehorse and its affiliates and the Funds. Whitehorse expects to have a potential conflict of interest in allocating certain fees, costs, expenses, liabilities and obligations among each Fund and the other Funds (including managed accounts, co-investment vehicles and other vehicles) investing alongside such Fund (and in certain circumstances, among the partners of a Fund). Whitehorse will allocate all amounts (organizational or otherwise) related to a Fund (including fees, costs and expenses related to marketing in local jurisdictions and complying with regulations related thereto (which may include the engagement, organization and/or maintenance of certain entities)) among such Fund and other relevant Funds, accounts and vehicles on a pro rata basis based on target Fund size or in a different manner if Whitehorse determines in good faith that doing so is more equitable or appropriate under the circumstances. Notwithstanding the foregoing, in certain instances, the portion of a fee, cost, expense, liability or obligation allocated to a Fund for a particular service will not reflect the relative benefit derived by such Fund from that service. In some cases, investors will bear a greater share than they would if a different allocation methodology were utilized.

In certain circumstances, Funds are permitted to pay a fee, cost, expense, liability or obligation common to multiple Funds (including, without limitation, legal expenses for a transaction in which all such Funds participate, or other fees or expenses in connection with services the benefit of which are received by other Funds over time), and be reimbursed by the other Funds for their share of such amount, without interest. To the extent the paying Fund makes use of a credit facility to pay such fee, cost, expense, liability or obligation, it generally will not be reimbursed separately by other Funds for the costs of establishing, negotiating or maintaining the facility as a whole. While Whitehorse believes such circumstances to be highly unlikely, it is possible that one of the other Funds could default on its obligation to reimburse the paying Fund. In certain circumstances, Whitehorse, the relevant General Partner or an affiliate thereof may pay Fund-related expenses and receive reimbursement from the applicable Fund(s), without interest, to which such expenses relate in accordance with the relevant Governing Documents.



In certain circumstances, the relevant General Partner is expected to permit certain investors to co-invest in portfolio investments alongside one or more Funds, subject to the Governing Documents and/or Side Letter(s). Where a co-invest vehicle is formed, such entity generally will bear expenses related to its formation and operation, many of which are similar in nature to those borne by the Funds. In the event that a transaction in which a co-investment was planned, including a transaction for which a co-investment was believed necessary to consummate such transaction or would otherwise be beneficial, in the judgment of the General Partner, ultimately is not consummated, the Fund(s), and not any potential co-investors or co-invest vehicle, will typically bear all broken-deal expenses for unconsummated investments even if there might or would have been a co-investor, and even if a co-invest vehicle has already been formed and/or prospective co-investors have already committed to any such investment. Whitehorse's practice of allocating broken deal expenses among investing Funds is discussed under "*Conflicts of Interest*" below. To the extent a Fund makes use of a credit facility to invest in a portfolio investment or pay related expenses, it will generally be reimbursed separately by co-investors for the costs of establishing, negotiating or maintaining the facility as a whole.

To the extent provided in the Governing Documents, Whitehorse will bear all ordinary overhead and operating expenses incurred by a General Partner or Whitehorse in connection with maintaining and operating their respective offices, including rent and equipment expenses, salaries, compensation and certain other fees and expenses as described in the Governing Documents.

***Sales-Based Compensation***

Neither Whitehorse nor its supervised persons will receive any compensation as broker or agent with respect to the purchase or sale of securities or other investment products to any of the Funds.

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

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***Performance-Based Fees***

As described under "Fees and Compensation," unless otherwise provided by the applicable Fund's Governing Documents, the General Partner of a Fund or one of its affiliates will typically receive a carried interest allocation calculated and charged based on a share of net profits of the assets of such Fund. Any share of profits paid to the General Partners of the Funds or such affiliates are separate and distinct from the GP Share charged by Whitehorse or a General Partner for advisory services. Whitehorse typically does not advise Funds not subject to a carried interest, although it generally has the authority to waive carried interest payable by certain investors.

Arrangements regarding performance-based allocations received by related persons of Whitehorse have the potential to create an incentive for Whitehorse and its affiliates to operate the Funds in a riskier, more speculative or other manner that is less favorable to investors than they would under a different fee or compensation arrangement.

***Side-by-Side Management***

Each Fund is subject to its own performance-based compensation arrangements, with some Funds bearing no performance-based fees. In addition, Whitehorse or an affiliate generally will only be permitted to take a performance-based allocation from a Fund after the investors in such Fund have received a return of contributed capital and a preferred return thereon. The potential for Whitehorse and its affiliates to receive different fees from performance-based accounts creates a potential conflict of interest with respect to the allocation of investment opportunities and Whitehorse time and resources because Whitehorse or its affiliates have an incentive to direct the best investment ideas and/or resources to, to allocate investments and/or resources in favor of, and/or make more speculative investments on behalf of, a Fund that pays a more favorable performance fee than it would otherwise make in the absence of such arrangement, although Whitehorse generally considers performance-based compensation to better align its interests with those of its investors.

Whitehorse seeks to address the potential for conflicts of interest in these matters with allocation policies that provide that investment opportunities will be allocated to the Funds in accordance with each Fund's investment guidelines and Governing Documents, as well as other factors that do not include the amount of GP Share received by Whitehorse or any personnel.

Please refer to the Governing Documents of each Fund for complete information on the specific performance-based allocation arrangements of such Fund.

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

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Whitehorse provides investment advice and portfolio management services to clients established as Funds and expects in the future to provide such services to clients established as separate accounts or other investment vehicles. Such Funds are typically structured as limited partnership vehicles for which a Whitehorse entity serves as the General Partner. Funds can have minimum investment amounts for investors as set forth in their Governing Documents. However, Whitehorse can, in its discretion, waive the applicable minimum investment amount.

The securities of the Funds are offered and sold on a private placement basis under exemptions promulgated under the Securities Act of 1933, as amended (together with all rules and regulations promulgated thereunder, the "**Securities Act**"), and other exemptions of similar import under U.S. state laws and the laws of other jurisdictions where any offering may be made. Interests in the Funds are offered on a private placement basis to U.S. and non-U.S. investors generally pursuant to Section 3(c)(7) of the Investment Company Act of 1940, as amended (together with all rules and regulations promulgated thereunder, the "**Investment Company Act**") to persons who are "accredited investors" as defined under the Securities Act and "qualified purchasers" as defined under the Investment Company Act, and subject to certain other conditions, which are set forth in its Governing Documents. Therefore, the Funds are not required to register as investment companies under the Investment Company Act in reliance upon certain exceptions applicable to private investment funds whose securities are not publicly offered.

The following types of persons or entities have historically invested in the Funds: institutional investors, including corporate pension plans, public employee retirement and deferred compensation plans, private investment funds and other pooled investment vehicles, sovereign funds, insurance companies, investment companies, charitable organizations, endowment funds, foundations, and other US and international institutions. In addition, high net worth individuals, banks, trust companies, and investment advisers have also invested in the Funds.

The relevant General Partner also generally is permitted to establish Funds that are alternative investment vehicles to permit certain investors to participate in one or more particular investment opportunities in a manner desirable for tax, regulatory, legal or other reasons. Alternative investment vehicle sponsors generally have limited discretion to invest the assets of these vehicles independent of limitations or other procedures set forth in the organizational documents of such vehicles and the Governing Documents of the related Fund.

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

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Whitehorse is a private equity firm focused on providing structured liquidity solutions to the alternative asset class. Whitehorse's investment advisory services consist of identifying and evaluating investment opportunities, negotiating investment opportunities, managing and monitoring investments and disposing of investments. Investments are predominantly of portfolios of interests in private investments funds and/or other assets, as well as interests in private equity investment funds and private companies in secondary market transactions.

Whitehorse has developed a consistent, disciplined and collaborative investment approach. The investment process begins with a targeted and highly proactive sourcing methodology. Identified transactions then undergo an initial screening, which Whitehorse believes is essential to ensuring resources are focused on the most attractive and actionable opportunities. The Firm's initial screening focuses on identifying portfolios of assets with attractive themes, typically including, but not limited to, a combination of the following: satisfactory diversification of underlying investments, conservative valuations relative to the market, lower or manageable levels of leverage, strong operating momentum and a manager or managers that are well-aligned with Whitehorse's objectives with cycle-tested investment strategies.

Each potential investment is subject to rigorous diligence and, with respect to certain Funds, such diligence is conducted with a focus on asset coverage and downside protection, while not losing sight of upside potential. The Firm believes that this approach helps to appropriately calibrate the risk and potential return of each structure. Additionally, each potential investment is subject to an environmental, social and governance (ESG) assessment, the results of which are included in each investment memorandum. Once approved and completed, Whitehorse actively monitors each investment throughout its life. Whitehorse's ESG policies and associated practices are discussed in greater detail under "*Investment Risk Factors – ESG Matters*" below.

Due to the size and scale of the Firm, the Leadership Team is actively engaged in the day-to-day activities of the Firm and meets at least weekly to discuss material risks faced by the Firm, including non-financial and financial risks. The Firm also has a comprehensive compliance manual addressing various risk-related matters and the Firm's Compliance team assists in assessing and monitoring non-financial risks and controls.

***Risk of Loss***

An investment in a Fund involves substantial risks and, therefore, should be undertaken only by prospective investors capable of evaluating the merits and risks of such an investment and bearing the risks such an investment represents. Whitehorse cannot provide assurance that investments chosen and made will generate returns for investors that are commensurate with the risks involved in connection with our investment strategies. Further, there can be no assurance that any investors in a Fund will receive any distribution from the Fund. Private investing involves risk of loss, including risk of loss of the entire investment that such investors should be prepared to bear.

Investors and prospective investors should carefully consider the risks of investing, which include, without limitation, those set forth below. The list of risk factors may not be applicable to all the Funds and is not a complete list of all risks involved in connection with our investment strategies. A more comprehensive list of risk factors is found in the Governing Documents.

***Investment Risk Factors******Market Risk***

The value of an investment may be influenced by uncertain economic, social and political conditions. General fluctuations and instability in the security markets may affect the value of the portfolio investments. The success of any Fund's investment activities will be affected by general economic and market conditions such as interest rates, availability of credit, inflation rates, trade barriers and currency exchange controls, and national and international political, environmental and socioeconomic circumstances outside of our control. All these factors may increase the risk inherent in any portfolio investments or any Fund.

**Liquidity Risk**

Investments in private equity are highly illiquid as a limited market exists for the sale of portfolio investments, underlying funds and investments by the underlying funds, while the transferability of such investments is generally restricted.

**Funding Risk**

Underlying funds typically require that capital contributions be made over an extended period of time. If a Fund's investor fails to pay its capital contributions as they fall due, and the capital contributions made by non-defaulting Fund's investors and other alternative sources of funds available to the Fund are inadequate to cover the defaulted capital contribution, it could result in the Fund defaulting on all or a portion of a capital call to a portfolio investment (and, indirectly, to an underlying fund) or reduce the number of portfolio investments which the Fund may make. As a result, the Fund may be subject to significant consequences that could materially adversely affect the returns to the Fund's investors (including non-defaulting Fund investors).

**Structure of Portfolio Investments**

Most Fund investments will be made in Portfolio Entities. As used herein, a "**Portfolio Entity**" means any partnership, special purpose vehicle or other entity formed for purposes of holding underlying investments, whether or not managed by Whitehorse, a General Partner or their affiliates, that is the issuer of one or more portfolio investments. Not all Portfolio Entities will be controlled or managed by Whitehorse, which subjects the Funds to counterparty risks. Portfolio Entities typically hold portfolios of minority, passive investments in underlying third-party investments.

**Nature of Preferred Equity Investments**

The preferred equity investments in which a Fund may invest involve a high degree of financial risk. These securities are unsecured, and often more largely impacted by adverse changes to a counterparty's financial condition and ability to make distributions.

**Nature of Common Equity Investments**

The common equity investments in which a Fund may invest involve a high degree of financial risk. These securities are unsecured, and are in a "first loss" position, subordinated in right of payment to senior instruments of a Portfolio Entity or other issuer, including preferred equity.

**Nature of Structured Investments**

Structured investment products will invest in a Fund, and such structured investment products are complex instruments and involve a high degree of financial risk. Structured investment products issued in securitization transactions have experienced in the past and may in the future experience historically high volatility and significant fluctuations in market value.

**Rating Agencies**

Certain Funds are expected to engage credit rating providers to provide ratings on such Funds' debt or other securities. A rating agency will likely have a conflict of interest because the relevant Fund typically pays the fee charged by the rating agency for its rating services.

**Syndication**

A Fund may purchase a portfolio investment with the intention of syndicating a portion of such portfolio investment to one or more other Funds, other vehicles and/or other parties, including third-party co-investors. In such instances, the Fund's General Partner may agree to less favorable terms than expected with such co-investors to complete the syndication and/or the General Partner may not be able to find sufficient co-investors for any such syndication, which may result in the Fund having to hold a greater portion of such portfolio investment than the General Partner originally intended.

**Leverage**

The Funds, any Portfolio Entity, any other special purpose vehicles formed to effect the acquisition of portfolio investments or participating in similar transactions and/or any underlying fund or general partner of an underlying fund is permitted to use leverage for a variety of purposes, including, but not limited to, acquiring, directly or indirectly, new investments, leveraging existing investments to permit distributions or additional investments, facilitating hedging activities and bridging funding for investments in advance of capital calls. Although a General Partner will seek to use leverage in a manner it believes is prudent, the use of leverage may involve a high degree of financial risk. Leverage may take the form of indebtedness for borrowed money (including, for the avoidance of doubt, guarantees) as well as financial leverage in the form of short sales, forward contracts, options, derivatives, and other similar transactions, which may expose a Fund, directly or indirectly, to greater risks than if leverage was not used. Borrowings could accelerate and magnify declines in the value of an investment and have the potential to enhance overall returns that exceed the cost of funds; however, they will further diminish returns (or increase losses on capital) to the extent overall returns are less than the cost of borrowed funds. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. In addition, Fund-level borrowing subjects limited partners to certain risks and costs. For example, because amounts borrowed under a subscription line typically are secured by pledges of a General Partner's right to call capital from the limited partners, limited partners may be obligated to contribute capital on an accelerated basis if the relevant Fund fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder. In addition, borrowings may be secured by the commitments of limited partners, or, with respect to the underlying funds, the commitments of investors in the underlying funds as well as by the assets of the Fund, any Portfolio Entity, any such other special purpose vehicles, the underlying funds, and general partners of underlying funds, as applicable, and the documentation relating to such borrowing may provide that the interests in a Fund, the interests (including a Fund's interests) in any Portfolio Entities or such other special purpose vehicles and/or the interests of investors in the underlying funds, as applicable, may be subordinated to such borrowing. Money borrowed for the purpose of leveraging investments will also be subject to interest costs, including interest on the amount borrowed, unused commitment fees on the committed but unfunded portion of a subscription line, an upfront fee for establishing a subscription line as well as financing, transaction and other fees and costs that may not be recovered by returns on the portfolio investments or other investment positions taken by the Funds, the Portfolio Entities, any such other special purpose vehicles, the underlying funds and underlying fund general partners. In addition, the use of leverage by a Fund or any of its subsidiaries may also result in tax-exempt limited partners incurring "unrelated business taxable income" within the meaning of Section 512 and Section 514 of the U.S. Internal Revenue Code of 1986, as amended ("UBTI"). Moreover, lenders may require a Fund to guarantee or provide other credit support for, or otherwise be liable for, the obligations of (including loans and other extensions of credit by) other Funds, co-investment vehicles, current or prospective Portfolio Entities (or any subsidiary thereof) or any other special purpose vehicles formed to effect the acquisition of portfolio investments or participating in similar transactions. Conflicts of interest arise in that the use of Fund-level borrowing delays the need for limited partners to make contributions to a Fund, which enhances the Fund's return calculations and thereby benefits the marketing efforts of the General Partner and its affiliates. A portfolio investment financing from a subscription line, rather than from a Fund-level equity commitment, has the potential to increase such returns, particularly in instances where the relevant amount has been drawn for an extended period of time.

**Investment- and Intermediate Entity-Level Borrowing**

Under the Governing Documents, each Fund is authorized to incur indebtedness that is secured by any assets of the Fund (e.g., asset-based borrowing, as well as "back leverage" and net asset value (NAV) facilities), and is permitted directly or indirectly through one or more intermediate entities (e.g., special purpose vehicles) to incur indebtedness, including to borrow money from any person, to make

guarantees or provide other credit support to any person or to incur any other obligation (including other extensions of credit). Indebtedness is permitted to be incurred to finance investments; pay for Fund expenses or fund the payment of the GP Share; and pay for other liabilities or obligations of the Fund, in each case in accordance with the Governing Documents. Additionally, a Fund is expected to enter into letters of credit in support of one or more of its investments, including for the purpose of such Fund agreeing to fund additional equity financing or capital expenditures into a portfolio investment (regardless of who the beneficiary to such letter of credit may be) at a certain time or upon the occurrence of a certain event. Although in many cases the Governing Documents impose limits on borrowings at the Fund level, Portfolio Entities and intermediate entities generally do not have such limits on their ability to engage in borrowings or incur leverage with respect to all or a portion of the relevant investments. For example, any indebtedness obtained by any special purpose vehicle established by the Fund to hold a single, multiple or all investments (such as a lending facility collateralized or secured by a Fund's holdings in some or all of its investments) generally would not be subject to the limits on borrowing or guarantees by the Fund in the Governing Documents.

#### Investment Style Risk

While Whitehorse generally intends to seek attractive returns for its Funds primarily through making investments as described, Whitehorse is permitted to pursue additional investment strategies and/or modify or depart from the initial investment strategy, investment process and investment technique as deemed appropriate.

#### Concentration Risk

Investments may be made in a relatively small number of industry sectors or geographic regions, with one counterparty or in a single transaction. As a result, a Fund's portfolio could be highly concentrated and involve greater risk as the value of the Fund portfolio will be substantially impacted in response to changes in these sectors or regions.

#### Third-Party Risk

Funds are permitted to co-invest with third parties, including Fund investors and their affiliates through consortiums of investors, joint ventures or other entities. Such investments may involve risks in connection with such third-party involvement, including the possibility that a third-party co-investor may have financial, legal, or regulatory difficulties which result in a negative impact on such investments, may have economic or business interests or goals that are inconsistent with those of the relevant Fund, or may be in a position to take (or block) action in a manner contrary to the Fund's investment objectives. The Funds may, in certain circumstances, be liable for the actions of the transaction sponsors or other third-party co-investors. In addition, co-invest opportunities are sometimes in high demand and oversubscribed. Accordingly, third-party sponsors are generally reluctant or unwilling to negotiate the terms of co-investments and at times insist on flexibility to deviate from strict *mutatis mutandis* decision making. This flexibility could cause the underlying investment to be less successful for the co-investors (including the relevant Fund) than for the sponsor's investment fund. In addition, sponsors often receive transaction, monitoring and other fees and remuneration in connection with transactions. These fees are often not shared with co-investors, thus making investments less attractive for co-investors than for sponsors. Moreover, sponsors may, in certain circumstances, require co-investors to bear their pro rata portion of any break-up fees. In these situations, a Fund could be required to pay a portion of a break-up fee if a co-investment transaction is not consummated.

#### Foreign Investment Risk

Portfolio investments made, and income received by a Fund with respect to such portfolio investments may be denominated primarily in foreign currencies, while the books and records of the Fund are maintained in U.S. dollars. Changes in currency exchange rates may adversely affect the dollar value of portfolio investments and the amounts of distributions, if any, to be made by the Fund.

Further, when any Fund invests, directly or indirectly, a portion of its assets in portfolio investments with exposure to portfolio companies that are organized, headquartered and/or have substantial sales or operations outside the U.S., certain factors not typically associated with investing in U.S. securities exist. For example: absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements, differing economic and political restrictions, and the possible imposition of non-U.S. taxes on income and gains recognized with respect to non-U.S. securities; all these factors increase the risk of loss.

#### Sanctioned Investors

If after subscribing to a Fund a limited partner is included on a list of prohibited persons maintained by a relevant regulatory or governmental authority (including the United States Department of Treasury's Office of Foreign Assets Control ("OFAC") or equivalent non-U.S. authorities), (a "Sanctions List"), the relevant General Partner will have the sole discretion to determine the resolution, remedy and manner of compliance of the Fund with applicable laws, including without limitation a "freeze" on distributions and/or capital calls from the relevant limited partner and reporting to the relevant authorities. Adverse actions by any such authorities, including temporary or permanent stays or holds on the Fund's activities, could materially and adversely affect the Funds.

#### Legal, Tax, and Regulatory Risks

There can be no assurance that new or changes to laws and regulations by government and government agencies will not have an adverse impact on the performance of any Funds, and/or its portfolio investments and Portfolio Entities. Changes from any legal or regulatory decisions could make the acquisition of interests in private equity funds in the private secondary market less attractive or make the general partners of private equity funds less likely to consent to transfers.

For example, the SEC has proposed and enacted significant rules that will impact Whitehorse's business and the business of the Funds. In particular, the SEC has adopted a number of new rules that impose significant changes on private fund advisers and their management of private funds, and the SEC is expected to propose and/or adopt additional rules in the future. Such current and future rulemaking is expected to materially impact Whitehorse and its affiliates, the Funds and/or their investments. In addition, the Funds are expected to bear significant increased costs as a result of such enacted and proposed rules, including costs related to investor reporting and disclosures. Significant time and resources are expected to be required to comply with the new regulations, which potentially will detract from the time and resources dedicated to the Funds. Certain rules are or may become subject to legal challenge from private fund industry groups and others, and to the extent such legal challenges are successful, investors not be afforded some or all of the protections provided by such rules.

#### ESG Matters

Whitehorse maintains an ESG policy and seeks to integrate certain ESG factors into its investment process in accordance with its policy and subject to its fiduciary duty and any applicable legal, regulatory or contractual requirements. Applying ESG factors to investment decisions is subjective by nature, and Whitehorse expects to be subject to competing demands from different investors and stakeholder groups with divergent views on ESG (including the role of ESG factors in the investment process). There is no guarantee that the criteria utilized by Whitehorse, or any judgment exercised by Whitehorse, will reflect the beliefs, values, internal policies or preferred practices of any particular investor or other asset manager or reflect market trends. In addition, Whitehorse's ESG policy and associated ESG practices are expected to evolve over time. Although Whitehorse views the integration of ESG factors to be an opportunity to potentially enhance or protect the performance of its investments over the long-term, Whitehorse cannot guarantee that its ESG program will positively impact the performance of any individual investment or Fund.

The materiality of ESG factors depends on many factors, including the relevant industry, location, asset class, and investment strategy. ESG factors, issues, and considerations do not apply in every instance



and will vary by Fund and investment. In addition, in evaluating an investment, Whitehorse expects to depend upon information and data provided by a number of sources, including the relevant investments and/or various reporting sources which could be incomplete, inaccurate or unavailable, and which could cause Whitehorse to incorrectly assess a company's ESG practices and/or related risks and opportunities. Whitehorse does not intend independently to verify all ESG information reported by investments or third parties.

Further, ESG practices are evolving rapidly and there are different principles, frameworks, methodologies, and tracking tools being implemented by asset managers. Whitehorse's adoption and adherence to various such principles, frameworks, methodologies and tools is expected to vary over time. There is also a growing regulatory interest across jurisdictions in improving transparency regarding how asset managers identify and manage financially material ESG risks, as well as how they define and measure ESG performance. At the same time, anti-ESG sentiment has also gained momentum across the U.S., with several states and Congress having proposed or enacted "anti-ESG" policies, legislation, or initiatives or issued related legal opinions. Whitehorse and its ESG policy and associated ESG practices could become subject to additional regulation, regulatory scrutiny, penalties or enforcement in the future, and Whitehorse cannot guarantee that its current approach including the ESG policy and associated ESG practices will meet future regulatory requirements, reporting frameworks or best practices, increasing the risk of related enforcement. Compliance with new requirements is expected to lead to increased management burdens and costs.

#### Cybersecurity Risk

The technology and communications systems that are utilized by the Firm to conduct business are subject to a different number of threats or risks that could adversely affect the Funds and/or a Fund's investors, despite having an established business continuity plan, risk management systems designed by Whitehorse, and efforts by service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of our technology assets. To the extent that a Portfolio Entity, Fund, General Partner, Whitehorse or one or more of their respective service providers is subject to cyber-attack or other unauthorized access is gained to their systems, substantial losses may occur in the form of stolen, lost or corrupted: (i) data or payment information; (ii) financial information; (iii) software, contact lists or other databases; (iv) proprietary information or trade secrets; or (v) other items. If technology systems are compromised, become inoperable for extended periods of time or cease to function properly, Whitehorse, the General Partners, the Funds and/or Portfolio Entities may incur significant time or expense to fix or replace them and to seek to remedy the effects of such issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in Whitehorse's, the General Partners', the Funds', Portfolio Entities' and/or service providers' operations, including the ability to make distributions to limited partners, and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). In certain events, a failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. The use of internet- or cloud-based programs, technologies and data storage applications generally heightens these risks, and the risks of attack are expected to be heightened in remote work environments. Any of such circumstances could subject a Portfolio Entity, or the relevant Fund, to substantial losses, including losses relating to: misappropriation of assets, intellectual property or confidential information; corruption, deletion or destruction of data; physical damage and repairs to systems; reputational harm; financial losses from remedial actions; and/or disruption of operations. Third parties, including activist, criminal, nation-state or terrorist actors, may also attempt fraudulently to induce Portfolio Entities or their personnel to disclose sensitive information (including passwords) in order to gain access to data, accounts, funds or other assets, or otherwise to inflict harm. In addition, in the event that such a cyber-attack or other unauthorized access is directed at Whitehorse or one of its service providers holding its financial or investor data, Whitehorse, its affiliates or the Funds may also be at risk of loss, despite efforts to prevent and mitigate such risks under Whitehorse's policies and practices.



*Privacy and Data Protection Law Compliance Risk*

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

Certain jurisdictions, including U.S. states, have proposed, adopted or are considering similar Privacy Laws, which if enacted could impose significant costs, potential liabilities and operational and legal obligations. Such Privacy Laws are expected to vary from jurisdiction to jurisdiction, thus increasing costs, operational and legal burdens, and the potential for significant liability for regulated entities, which could include Whitehorse, the General Partners, the Funds and/or Portfolio Entities.

*Public Health Emergencies; COVID-19*

Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, Ebola and COVID-19, have resulted in historic market disruptions, and future such emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which may result in significant losses to the Funds.

The ultimate impact of any such health emergency — and any resulting decline in economic and commercial activity — on global economic conditions, and on the operations, financial condition and performance of any particular industry or business, is impossible to predict, but could have a significant adverse impact and result in significant losses to the Funds. The extent of the impact on the Funds’ and their portfolio investments’ operational and financial performance will depend on many factors, all of which are highly uncertain and cannot be predicted, and this impact may include significant reductions in revenue and growth, unexpected operational losses and liabilities, impairments to credit quality and reductions in the availability of capital. These same factors may limit the ability of the Funds to source, diligence and execute new investments and to manage, finance and exit investments in the future, and governmental mitigation actions may constrain or alter existing financial, legal and regulatory frameworks in ways that are adverse to the investment strategy the Funds intend to pursue, all of which could adversely affect the Funds’ ability to fulfill their investment objectives. They may also impair the ability of portfolio investments or their counterparties to perform their respective obligations under debt instruments and other commercial agreements (including their ability to pay obligations as they become due), potentially leading to defaults with uncertain consequences. In addition, the operations of the Funds, their portfolio investments, the General Partners and Whitehorse may be significantly impacted, or even temporarily or permanently halted, as a result of any such health emergencies, or any measures, restrictions, remote-working requirements and other factors related thereto, including its potential adverse impact on the health of any such entity’s personnel. These measures may also hinder such entities’ ability to conduct their affairs and activities as they normally would, including by impairing usual communication channels and methods, hampering the performance of administrative functions such as processing payments and invoices, and diminishing their ability to make accurate and timely projections of financial performance.

*International Conflicts*

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

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

*Financial Institution Risk; Distress Events*

An investment in a Fund is subject to the risk that one of the banks, brokers, counterparties, clearinghouses, exchanges, lenders or other custodians (each, a "Financial Institution") of some or all of the Fund's (or any Portfolio Entity's) assets fails to timely perform or otherwise defaults on its obligations or experiences insolvency, closure, seizure, receivership or other financial distress or difficulty, similar to that experienced by Silicon Valley Bank and Signature Bank in March 2023 (each, a "Distress Event"). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance, undercapitalization, market forces or accounting irregularities. If a Financial Institution experiences a Distress Event, Whitehorse, any General Partner, the Funds and/or any of the Portfolio Entities may be unable to access deposits, borrowing facilities or other services, either permanently or for an indeterminate period of time. 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, in the case of banks, and the Securities Investor Protection Corporation, in the case of certain broker-dealers, amounts in excess of the relevant insurance are subject to risk of total loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose potentially increased risk of loss. While in recent years governmental intervention has often resulted in additional protections for depositors and counterparties in connection with Distress Events, there can be no assurance that any intervention will occur, be successful or avoid the risks 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 Whitehorse to manage the Funds and their investments, and on the ability of Whitehorse, any Fund or any Portfolio Entity to maintain operations, which in each case could result in operational burdens, significant losses and un consummated investment acquisitions and dispositions. Such losses could include: a loss of funds; an obligation to pay fees and expenses in the event a Fund is unable 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 the Fund to access capital contributions or otherwise); the inability of the Fund to acquire or dispose of investments, including at prices that the relevant General Partner believes reflect the fair value of such investments; and/or the inability of Whitehorse or Portfolio Entities to make payroll, fulfill obligations and/or maintain operations. If a Distress Event leads to a loss of access to a Financial Institution's services, it is also possible that Whitehorse will experience operational burdens and expenses, and a Fund or a Portfolio Entity will incur additional expenses and/or delays in putting in place alternative arrangements and/or that such alternative arrangements will be less favorable than those formerly in place (with respect to economic terms, service levels, access to capital or otherwise).

There can be no assurance that Whitehorse will be able to exercise contractual remedies under the agreements with Financial Institutions in the event of a Distress Event, or that such remedies will be successful or avoid losses, delays or other negative impacts. The Funds and the Portfolio Entities are subject to additional risks in the event a Financial Institution utilized by investors of a Fund or suppliers, vendors, service providers or other counterparties of a Portfolio Entity become subject to Distress Events, which could have a material adverse effect on a Fund, its investors or such Portfolio Entities, including the risk of investor defaults.

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

United Kingdom (“UK”) Exit from the European Union (the “EU”)

The UK formally left the EU on January 31, 2020 (“Brexit”). After a transition period that ended on December 31, 2020, EU rules ceased to apply in the UK. Although the terms of the UK’s future relationship with the EU were agreed in a trade and cooperation agreement, the agreement does not include an agreement on financial services and, as a result, UK firms in the financial sector have more limited access to the EU market than prior to Brexit and EU firms similarly have more limited access to the UK, owing to the loss of passporting rights under applicable EU and UK legislation. Alternative arrangements and structures may allow for the provision of cross-border marketing and services between the EU and UK, but these are subject to legal uncertainty and the risk that further legislative and regulatory restrictions could be imposed in the future.

As a result of the onshoring of EU legislation in the UK, UK firms are currently subject to many of the same rules and regulations as prior to Brexit. However, the UK Government has stated its intention to recast onshored EU legislation as part of UK legislation and regulation, which could result in substantive changes to regulatory requirements in the UK. It remains to be seen to what extent the UK may elect to implement or mirror future changes in the EU regulatory regime, or to diverge from the current EU-influenced regime over time. It is possible that the EU may respond to UK initiatives by restricting third-country access to EU markets. If the regulatory regimes for EU and UK financial services change or diverge further, this could have an adverse impact on any Fund and its investments, including the ability of a Fund to achieve its investment objectives in whole or in part (for example, owing to increased costs and complexity and/or new restrictions in relation to cross-border access between the EU and non-EU jurisdictions). There can be no assurance that any renegotiated laws or regulations will not have an adverse impact on a Fund and its investments, including the ability of a Fund to achieve its investment objectives.

The legal, political and economic uncertainty and disruption generally resulting from Brexit may adversely affect both EU- and UK-based businesses, including Whitehorse and Fund portfolio investments, as applicable. Brexit has already led to disruptions in trade as businesses attempt to adapt cross-border procedures and rules applicable in the UK and in the EU to their activities, products, customers, and suppliers. Continuing uncertainty and the prospect of further disruption may also result in an economic slowdown and/or a deteriorating business environment in the UK and in one or more EU Member States.

Competition for Portfolio Investments

The activity of identifying, completing and realizing upon attractive secondary and structured private equity investments is highly competitive, and involves a high degree of uncertainty. The availability of

investment opportunities generally will be subject to market conditions. The Funds will be competing for investments with many other private equity investors and institutional investors with similar investment objectives. Potential competitors include other investment partnerships and corporations, governments, individuals, financial institutions, family offices, strategic industry acquirers and other investors investing directly or through affiliates, as well as other unidentified market participants with innovative approaches, particularly because of the newness and variety of approaches available in this opportunity space. Further, over the past several years, an increasing number of private equity funds have been formed, including funds which may have as one of their objectives investing in other funds on a secondary basis or through preferred equity structures (and many such existing funds have grown substantially in size).

In addition, certain institutional investors who have significant resources may also become significant participants in the secondary market. It is likely that competition for appropriate investment opportunities will increase, thus reducing the number of investment opportunities available to the Funds and adversely affecting the terms upon which investments can be made. The Funds may incur bid, due diligence or other costs with respect to transactions that are not consummated and investments that are not successful. As a result, the Funds may not recover all or any of such costs, which would adversely affect returns. Participation in auction transactions may increase the pressure on the Funds with respect to pricing of such potential transactions.

Additionally, the underlying private investment funds will be competing for investments with other investment vehicles, as well as individuals, financial institutions and other institutional investors. There can be no assurance that (i) the General Partner will be able to identify, negotiate the appropriate contractual terms for, consummate and realize upon investments that satisfy the Fund's rate of return objectives and desired diversification goals, (ii) the Fund will be able to invest fully its committed capital or (iii) the investments held by Portfolio Entities or made by the underlying funds will result in rates of return to the Fund that are equal to or better than the average rate of return on direct investments or investments in other private equity investment funds.

#### *Nature of Portfolio Investments*

The success of each portfolio investment (and, as a result, a large measure of a Fund's success) is subject in part to those risks which are inherent in venture capital, buyout, mezzanine, credit, energy and such other investments undertaken by the underlying funds. These risks are generally related to (i) the ability of each of the underlying funds to select and manage successful investment opportunities; (ii) the quality of the management of each portfolio company in which the underlying funds invest; (iii) the ability of the underlying funds to liquidate their investments; and (iv) general economic conditions. There can be no assurance that the investments made by the underlying funds will result in attractive rates of return to the Fund. Whitehorse will endeavor to negotiate appropriate management and control rights in connection with portfolio investments, including negative controls and approval and information rights, but notwithstanding any rights ultimately agreed upon, the Funds may have limited ability to protect its position in certain circumstances (other than by exercise of those rights afforded by investors generally). The Funds will not be able to participate in the management and control of the underlying funds in which it indirectly holds investments nor of the portfolio companies in which the underlying funds have invested. As a result, the returns of the portfolio investments will depend in large part on the performance of those unrelated managers of the underlying funds. Further, should an underlying fund's manager become incapacitated or in some way cease to participate in the management of the underlying fund, the performance of such underlying fund (and consequently the portfolio investment) could be adversely affected.

The underlying funds are managed by their respective managers who are unrelated to Whitehorse and, therefore, in private equity and private equity-related investments selected by such unrelated managers. Although Whitehorse will attempt to evaluate each underlying fund based on criteria such as the performance history of the underlying fund and its manager as well as the underlying funds'

investment strategies, the past performance of an underlying fund and its manager may not be a reliable indicator of future results. Moreover, the General Partner may not have the opportunity to evaluate the specific investments made by any underlying fund before they are made and, generally, will have no ability to cause the manager of a Portfolio Entity to dispose of its investment in an underlying fund, either in the manner or at the time preferred by Whitehorse if it is dissatisfied with such underlying fund's performance. Accordingly, the returns of a Fund will be largely dependent on the performance of such unrelated managers and could be substantially adversely affected by any unfavorable performance.

#### Underlying Portfolio Risks

The underlying funds may invest directly or indirectly in portfolio companies that involve a high degree of business or financial risk. The portfolio companies may be start-ups or in an early stage of development, may be distressed or have operating losses or significant variations in operating results, and may be engaged in a rapidly changing business with products subject to a substantial risk of obsolescence. The portfolio companies may also include companies that are experiencing, or are expected to experience, financial difficulties which may never be overcome. In addition, they may require substantial additional capital to support their operations, to finance expansion or to maintain their competitive position, or may otherwise have a weak financial condition. To the extent a portfolio company in which an underlying fund has invested receives additional funding in subsequent financings and the applicable Portfolio Entity or the Fund does not participate in such additional financing rounds, the interests of such Portfolio Entity and/or the Fund, as applicable, in such portfolio company would be diluted. Portfolio companies may face intense competition, including competition from companies with greater financial resources, more extensive development, manufacturing, marketing and other capabilities and a larger number of qualified managerial and technical personnel.

Although Whitehorse will monitor the performance of each underlying fund, it is the responsibility of the underlying fund to monitor portfolio companies and each portfolio company's management team to operate such portfolio company on a day-to-day basis.

Portfolio companies may be highly leveraged, which may impair these companies' ability to finance their future operations and capital needs, and/or which may result in restrictive financial and operating covenants for these companies. As a result, the flexibility of these companies to respond to changing business and economic conditions and to business opportunities may be limited. In addition, in the event that a portfolio company does not perform as anticipated or incurs unanticipated liabilities, high leverage will magnify the adverse effect on the value of the equity of such company and could result in substantial diminution in, or the total loss of, an equity investment in such company.

#### Reliance on Whitehorse

A Fund's investors will be relying on the ability of Whitehorse to select the portfolio investments to be made using the capital available to the Fund and to negotiate the appropriate contractual terms for each portfolio investment. The success of the Fund will depend in large part upon the skill and expertise of the Whitehorse professionals in identifying suitable portfolio investments and negotiating and arranging the closing of appropriate transactions. The interests of these professionals in Whitehorse should tend to discourage them from withdrawing participation in the Fund's investment activities. However, there can be no assurance that any such professional will continue to be associated with Whitehorse throughout the life of the Fund. In addition, such individuals currently, and may in the future, manage other Funds and expect to devote substantial amounts of their time to the investment activities of such other Funds, which poses conflicts of interest in the allocation of the time of such individuals. The loss of one or more of these individuals could have a significant adverse impact on the business of the Fund.

#### Effect of Fees and Expenses on Returns

Each underlying fund generally (i) pays (or requires its limited partners to pay) its respective general partner and/or manager certain fees and/or carried interest and (ii) bears certain costs and expenses. Such fees and expenses are expected to materially reduce the actual returns to a Fund's investors,

although the impact of such fees and expenses on investment returns may be reduced by time and dollar discounts associated with the initial acquisition of fund interests acquired through secondary transactions. Fees and expenses of the Fund, the Portfolio Entities and the underlying funds will generally be paid regardless of whether the Fund, the Portfolio Entities or the underlying funds produce positive investment returns. Furthermore, Whitehorse (or an affiliate) may be entitled to receive a GP Share based on the aggregate commitments of the Fund investors bearing the GP Share, which will reduce overall returns to Fund investors.

#### Hedging Policies/Risks

The Funds and portfolio companies in which Funds indirectly invest are permitted, but generally are under no obligation, to employ hedging techniques designed to reduce the risks of adverse movements in interest rates, securities prices and currency exchange rates, including the purchase and sale of derivative securities which may involve borrowing. While such transactions may reduce certain risks, such transactions themselves may entail certain other risks. Thus, while the Fund may benefit from the use of these hedging mechanisms, unanticipated changes in interest rates, securities prices, currency exchange rates or other factors may result in a poorer overall performance for a Fund than if it or the underlying funds and portfolio companies had not entered into such hedging transactions. In addition, if Whitehorse deems it necessary or advisable, Whitehorse is permitted, in lieu of holding a portfolio investment directly, to structure a portfolio investment as a derivative contract, instrument or similar arrangement designed to substantially replicate the benefits and risks of holding the otherwise permissible asset.

#### Expedited Decision-Making

Investment analysis and decisions may be undertaken on an expedited basis in order for a Fund to take advantage of available investment opportunities. In such cases, the information available at the time of an investment decision may be limited, and the General Partner may not have access to the detailed information necessary for a thorough evaluation of the investment opportunity. Further, the General Partner may conduct its due diligence activities over a very brief period.

#### Failure by Other Investors to Meet Capital Calls of Underlying Funds

Each underlying fund will have many investors, most of which typically will have capital contribution obligations over an extended period of time. Failure by one or more other investors to meet a capital call of an underlying fund could have adverse consequences for a Fund. The Funds are generally permitted to require its investors to contribute additional capital to satisfy the shortfall. If the underlying fund is unable to raise sufficient capital to consummate a proposed investment, the underlying fund's manager may not be able to, among other things, diversify its portfolio, which could adversely affect the performance of such underlying fund and could also result in such underlying fund's investments being concentrated in relatively few industries and regions. Furthermore, such underlying fund may not have sufficient capital to contribute capital to existing portfolio companies necessary to ensure their ongoing financial stability. If multiple investors fail to meet capital calls from a particular underlying fund, such underlying fund could default on its obligations, which could result in the termination of such underlying fund, causing a lower return, or potentially a loss, on a portfolio investment.

#### Portfolio Entities and Underlying Funds May Make Commitments in Excess of Their Capital Commitments

Portfolio Entities may make commitments to underlying funds, and underlying funds may make commitments to their portfolio companies, in excess of their total capital committed. As a result, in certain circumstances, a Portfolio Entity or an underlying fund may need to retain distributions from its investments or recall distributions or liquidate certain of its investments prematurely at potentially significant discounts to market value if it does not generate sufficient cash flow from its investments to meet these commitments. Likewise, Funds may also be exposed to these risks if the Fund does not generate sufficient cash flow to satisfy its recall obligations to its portfolio investments. To the extent that a Portfolio Entity reserves, distributes and recalls, and/or reinvests proceeds received by such



Portfolio Entity from a portfolio investment, rather than distributing such proceeds to the underlying investors of such Portfolio Entities, including to a Fund, there may be a delay in the receipt of capital by a Fund with respect to its investment in a Portfolio Entity.

*Valuation of Investment Opportunities and Limited Availability of Information*

There is no established market for secondary private equity partnership interests or for the privately-held portfolio companies of private equity sponsors, and there may not be any comparable companies for which public market valuations exist. In addition, under limited circumstances, Whitehorse may not have access to all material information relevant to a valuation analysis. As a result, the valuation of portfolio investments and underlying funds may be based on imperfect information and is subject to inherent uncertainties.

Also, different private equity sponsors use different valuation methods and determine such valuations at different times, and there can be no assurance that any of such valuations are accurate. In addition, these valuations will be provided by the general partner of an underlying fund to the Fund based on interim unaudited financial statements. Accordingly, these figures will be subject to an upward or downward adjustment following the auditing of such financial records.

Due to confidentiality considerations, certain potential and/or actual portfolio investments or underlying funds may not permit a Fund to fully disclose information regarding its investment strategies, risks, prior performance or other information. Certain potential and/or actual underlying funds may provide limited or no information regarding their respective investment strategies or investments. Additionally, information received from the general partners or the managers of the portfolio investments and underlying funds may not always be accurate or timely. This lack of access to, or the untimeliness or inaccuracy of, information provided by the general partners or managers may make it more difficult for Whitehorse to select, allocate among and evaluate potential investments.

*Litigation*

Additional regulation could also increase the risk of third-party litigation. Whitehorse may from time to time be subject to litigation and claims relating to its businesses, as well as governmental and/or regulatory inquiries, investigations and/or proceedings. Whitehorse is subject to regulation, including periodic examinations, by governmental agencies and self-regulatory organizations in the jurisdictions in which it operates. These authorities have regulatory powers dealing with many aspects of financial services, including the authority to grant, and in specific circumstances to cancel, permissions to carry on particular activities. Many of these regulators, including U.S. and foreign government agencies and self-regulatory organizations, as well as state securities commissions in the U.S., are also empowered to conduct investigations and administrative proceedings that can result in fines, suspensions of personnel, changes in policies, procedures or disclosure or other sanctions, including censure, the issuance of cease-and-desist orders, the suspension or expulsion of an investment adviser from registration, or the commencement of a civil or criminal lawsuit against Whitehorse or its personnel.

*Liability*

A Fund's assets, including any portfolio investments, are available to satisfy all liabilities and other obligations of the Fund, including to Whitehorse, its affiliates and other parties as provided in the Governing Documents. If a Fund becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to the Fund's assets generally and will not be limited to any particular assets, such as the asset representing the investment giving rise to the liability.

Accordingly, a Fund's investor could find its interests adversely affected by a liability arising out of a portfolio investment or otherwise in connection with the affairs of the Fund. In addition, a Fund's investor may be required to return distributions to the Fund to satisfy a Fund's obligations, including obligations to Whitehorse.

*Need for Follow-On Investments*

Funds are permitted to be called upon to provide additional funds in respect of portfolio investments. There is no assurance that any Fund will make follow-on investments or that any Fund will have sufficient funds to make all or any such investments. Any decision by Whitehorse not to cause the Fund to make a follow-on investment may have a substantial negative impact on a portfolio investment and/or underlying fund and the Fund's investment therein.

*Pooled Investments in Secondary Investments*

Funds are expected have the opportunity to acquire or otherwise make an investment in a portfolio of investments from a seller on an "all or nothing" basis. Certain investments in the portfolio may be less attractive than others, and certain of the companies or fund sponsors may be more familiar to Whitehorse than others or may be more experienced or highly regarded than others. In addition, Funds will likely have the opportunity to participate in "stapled secondaries" (e.g., a secondary market purchase of an existing limited partner interest and corresponding commitment to a new fund in formation sponsored by the same investment manager). In certain instances, the purchase of an interest in the new fund may be less attractive than the investment in or related to an existing partnership interest. In such cases, it may not be possible for the Fund to exclude from such purchases those investments which Whitehorse considers (for commercial, tax, accounting, legal or other reasons) less attractive.

*Underlying Fund Purchases*

The purchase or sale of an interest in an underlying fund may be subject to the consent of the general partner or manager of such underlying fund and there may be qualification requirements and/or conditions that may make such purchase more difficult or, ultimately, prevent it.

*Risk of Early Termination of Underlying Funds*

The governing documents of each underlying fund are expected to include provisions that would enable the general partner or a majority in interest (or higher percentage) of its limited partners or members, under certain circumstances, to terminate such underlying fund prior to the end of its stated term. Early termination of an underlying fund may result in (i) a Fund having a portfolio of immature and illiquid securities distributed to it or (ii) a Fund's inability to invest all of its commitments as anticipated, either of which could have a material adverse effect on the performance of the Fund.

*Termination of the Fund's Interest in an Underlying Fund*

An underlying fund may, among other things, terminate a Portfolio Entity's interest in such underlying fund if the Portfolio Entity fails to satisfy any capital call by such underlying fund or if the general partner of that underlying fund determines that the continued participation of the Portfolio Entity in such underlying fund would have a material adverse effect on such Underlying Fund or its assets.

*"Bad Actor" Disqualification for Private Placements under Regulation D*

As a result of amendments to Rule 506 of Regulation D under the Securities Act, a prospective Fund's investors may be required to make certain representations, warranties and disclosures to the Fund as a part of the Fund's factual inquiry into whether any disqualifications exist under paragraph (d)(1) of the amended Rule 506. A Fund may be required to furnish to each prospective investor a description in writing of any matters relating to any beneficial owner of 20% or more of the Fund's outstanding voting equity securities, calculated on the basis of voting power (a "**20% Beneficial Owner**") to the extent such matters would have triggered disqualification under paragraph (d)(1) of the amended Rule 506 but occurred before September 23, 2013. If the information a 20% Beneficial Owner represents and warrants to changes, such 20% Beneficial Owner may be required to promptly provide written notification of updates to the Fund and Whitehorse. In addition, 20% Beneficial Owners will be required to promptly respond to requests for updates by the Fund or Whitehorse. If any disqualifying "bad actor" events occur with respect to any 20% Beneficial Owner, the Fund expects to exercise remedies available to it,



including, but not limited to, requiring such 20% Beneficial Owner to transfer its interests and/or withdraw from the Fund.

*Pay-to-Play Laws, Regulations and Policies*

In light of recent scandals involving money managers, a number of states and municipal pension plans have adopted so-called “pay-to-play” laws, regulations or policies which prohibit, restrict or require disclosure of payments to (and/or certain contacts with) state officials by individuals and entities seeking to do business with state entities, including investments by public retirement funds. The SEC also has recently adopted rules that, among other things, prohibit an investment adviser from providing advisory services for compensation with respect to a government plan investor for two years after the adviser or certain of its executives or employees make a contribution to certain elected officials or candidates. If Whitehorse or its employees or affiliates fail to comply with such pay-to-play laws, regulations or policies, such non-compliance could have an adverse effect on Funds.

*Material Non-Public Information*

From time to time, Whitehorse, its affiliates and/or its directors, officers and personnel will come into possession of material non-public information concerning specific companies. Under applicable securities laws, this may limit Whitehorse’s flexibility to buy or sell portfolio securities issued by such companies. A Fund’s investment flexibility may be constrained as a consequence of Whitehorse’s inability to use such information for investment purposes. Alternatively, Whitehorse and its affiliates may decline to receive material non-public information which they are entitled to receive to avoid investment restrictions even though access to such information might have been advantageous to the Fund and other market participants are in possession of such information.

*Electronic Communication*

Whitehorse will provide to a Fund’s investors statements, reports and other communications relating to the Fund and/or the interests in electronic form, such as email or via a password protected website (“**Electronic Communications**”). Electronic Communications may be modified, corrupted, or contain viruses or malicious code, and may not be compatible with an investor’s electronic system. In addition, reliance on Electronic Communications involves the risk of inaccessibility, power outages or slowdowns for a variety of reasons. These periods of inaccessibility may delay or prevent receipt of reports or other information by a Fund’s investors.

*Tax Risks*

An investment in the Funds involves complex tax considerations. A Fund’s investors are advised to consult their own tax advisors regarding the taxation of all aspects of acquiring, holding or disposing of interests, including, without limitation, the taxation of the Fund and the portfolio investments, and any income taxes, withholding taxes, tax filing obligations and requirements regarding disclosure of information to tax authorities that may be applicable as a result of investing in the Fund. An investor is solely responsible for the tax consequences to the investor of an investment in the Fund. Whitehorse makes no disclosure concerning the tax aspects of the Fund’s activities under the laws or regulations of the U.S., any state, local, non-U.S. or other jurisdiction. Funds will generally hold non-controlling interests in pooled investment vehicles and portfolio companies and Whitehorse may therefore have limited or no ability to influence the structure of, or tax consequences arising from, any underlying investments. Nothing herein should be construed as legal, tax or other advice. Investors are strongly advised to consult their own tax advisors with respect to the tax considerations applicable to them.

*U.S. Taxation of Carried Interest*

U.S. federal income tax law treats certain allocations of capital gains to service providers by partnerships such as the Funds as short-term capital gain (taxed at higher ordinary income rates) unless the partnership has held the asset that generated such gain for more than three years. Additionally, Congress has considered proposed legislation that would treat certain income allocations to service providers by partnerships such as a Fund (including any carried interest) as ordinary income for U.S.

federal income tax purposes that under current law are treated as an allocation of the partnership's income (and which may be taxed at lower rates than ordinary income). Such rules, as well as any such legislation that may be enacted in the future, could apply to reduce the after-tax returns of individuals associated with a Fund, its General Partner, or Whitehorse who were or may in the future be granted direct or indirect interests in carried interest, which could make it more difficult for the relevant General Partner and its affiliates to incentivize, attract and retain individuals to perform services for a Fund. This creates potential incentives for Whitehorse to cause a Fund to hold investments for a longer period than would be the case if such greater-than-three-year holding period requirement did not exist.

#### General Partner-Led Transactions

It is likely that, during the term of a Fund, one or more underlying funds will engage in general partner-led transactions, wherein the underlying fund itself is restructured or recapitalized, or one or more investments of such underlying fund are "spun out" into a new vehicle. These transactions generally offer investors (including a Portfolio Entity) in the underlying fund the option to receive liquidity for their interest or rollover or reinvest into the new vehicle formed in connection with such transaction, often with a requirement to commit additional capital. The terms of the Portfolio Entities generally require that they will, if presented with such option, automatically elect to receive liquidity. The third-party co-investors in any Portfolio Entity may instead decide to rollover or reinvest in such transaction, thus extending the potential maturity of the Portfolio Entity. There is no way to predict whether liquidity or reinvestment would be more beneficial to a Fund's investment in such Portfolio Entity, and the relevant Fund will not have the ability to control any decision by the third-party co-investors in Portfolio Entities.

#### Social Media and Publicity Risk

The use of social networks, message boards, internet channels and other platforms has become widespread within the United States and globally. As a result, individuals now have the ability to rapidly and broadly disseminate information or misinformation, without independent or authoritative verification. Any such information or misinformation regarding Whitehorse, the Funds or one or more portfolio investments could have a material and adverse effect on the value of the Funds.

#### Possibility of Examination or Other Audit

The legal and accounting costs incurred in connection with any examination or other audit of a Fund's tax returns or other tax matters will be borne by the Fund. The cost of any examination or other audit of any Fund's investor's tax return will be borne solely by such Fund's investor. An examination or other audit of a Fund may result in an examination of the returns of some or all of the Fund's investors, which examination could result in adjustments to the tax consequences initially reported by the Fund and affect items not related to a Fund's investor's investment in the Fund. If such adjustments result, for example, in an increase in a Fund's investor's U.S. federal income tax liability for any year, such Fund's investor may also be liable for interest and penalties with respect to the amount of underpayment. U.S. federal income taxes arising from an IRS audit will be paid by a Fund absent an election to the contrary.

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

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There are no legal or disciplinary events that are material to an investor's or prospective investor's evaluation of our advisory business or the integrity of our management that are required to be discussed in this Brochure.

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

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As described under "Advisory Business," Whitehorse is affiliated with other Whitehorse investment advisers, including the General Partners and equivalent entities formed from time to time and subject to the Advisers Act pursuant to Whitehorse's registration in accordance with SEC guidance. These entities operate as a single advisory business and serve as general partners of Funds and other

investment vehicles and generally share common owners, officers, partners, employees, consultants or persons occupying similar positions. In addition, an affiliate of Whitehorse, Whitehorse Liquidity Partners (UK) Ltd., is registered as an appointed representative of Langham Hall Fund Management LLP, an entity which is authorized and regulated by the Financial Conduct Authority of the UK. Whitehorse and Whitehorse Liquidity Partners (UK) Ltd. are under common control and share common owners, and certain supervised persons, officers, partners, employees, consultants or persons occupying similar positions.

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

##### ***Code of Ethics***

Whitehorse has adopted a “**Code of Ethics**” that establishes the standard of conduct that the Firm expects of its personnel and procedures regarding personal trading of securities. Whitehorse’s personnel are required to certify their adherence to the terms set forth in the Code of Ethics upon commencement of employment and annually thereafter. Personnel also are required to provide quarterly certifications of compliance with certain Code of Ethics provisions.

The foundation of Whitehorse’s Code of Ethics is based upon the following underlying fiduciary principles:

- Personnel must at all times place the interests of the Funds first;
- Personnel must ensure that all investment transactions (including personal investment transactions) are conducted consistent with the Code of Ethics’ Personal Trading Policy (described below) and in such a manner as to avoid any actual or potential conflict of interest, or any abuse of an employee’s position of trust and responsibility;
- Personnel should not take inappropriate advantage of their positions with Whitehorse; and
- Confidential information concerning Whitehorse and the Funds must be kept confidential.

##### ***Personal Securities Trading***

The Code of Ethics places restrictions on personal trades by personnel, including that they disclose their personal securities holdings and transactions on a periodic basis, and generally are only permitted to make permitted investments unless otherwise subject to an exception as determined by Whitehorse. Permitted investments include (i) government securities, (ii) mutual funds, (iii) guaranteed investment certificates, (iv) crypto currencies, (v) commodities, (vi) exchange traded funds (“ETFs”, other than single-stock ETFs), (vii) dividend reinvestment plans (“DRIPs”) for existing holdings, and (viii) derivatives relating to any of the aforementioned (“**Permitted Investments**”).

Personnel may continue to hold non-Permitted Investments that were acquired prior to joining Whitehorse. However, personnel are required to obtain pre-approval from Whitehorse prior to disposing of any such investments.

Whitehorse will provide a copy of the Code of Ethics to existing investors, or any prospective investor, upon request, to be viewed on the premises.

##### ***Conflicts of Interest***

Whitehorse and its related entities engage in a broad range of advisory and non-advisory activities, including investment activities for Funds, and transaction-related, management and other services to Funds. Whitehorse will devote such time, personnel and internal resources as are necessary to conduct the business affairs of the Funds in an appropriate manner, as required by the Governing Documents, although the Funds and their respective investments will place varying levels of demand on these things over time. In the ordinary course of Whitehorse conducting its activities, the interests of a Fund will

conflict with the interests of one or more other Funds, one or more portfolio investments, Whitehorse or their respective affiliates in certain circumstances. Certain of these conflicts of interests are described below. This discussion does not describe all conflicts that could arise, certain of which are disclosed throughout this document and/or the Governing Documents of the relevant Fund, each of which should be read in its entirety.

*Investments by Senior Management and Key Personnel*

Subject to applicable regulatory restrictions and Governing Documents, senior management and key personnel of Whitehorse reserve the right to personally invest, directly and/or indirectly, in a Fund. Such investors are expected to possess information, including portfolio information, not available to other investors and prospective investors. It is expected that, if such investments are made, the size and nature of these investments will change over time without notice to investors. Investments by the senior management and key personnel in a Fund could incentivize the senior management and key personnel to increase or decrease the risk profile of such Fund.

*Participation or Interest in Client Transactions, Cross Trades and Principal Transactions*

Whitehorse reserves the right to cause a Fund to enter into a transaction whereby the Fund (i) purchases securities from, or sells securities to, other Funds managed by Whitehorse, or co-investors or co-investment vehicles (each such transaction, a “**Cross Trade**”) or (ii) co-invests alongside such other Funds or co-investors, when Whitehorse believes such transactions are appropriate and in the best interests of the relevant Funds. Such transactions may arise in the context of automatic or other re-balancing of an investment among parallel investing entities or in contexts where a portfolio investment owned by one Fund is acquired by another Fund, as well as “syndications” of interests in Portfolio Entities and other investments. In some cases a portfolio investment of one Fund will be merged with or into a portfolio investment owned by another Fund. Any of these transactions create conflicts of interest because, by not exposing such transactions to market forces, a Fund may not receive the best price otherwise possible, or Whitehorse might have an incentive to improve the performance of one Fund by selling underperforming assets to another Fund in order, for example, to earn fees. These conflicts are heightened to the extent the relevant securities are illiquid or do not have a readily ascertainable value, and there generally can be no assurance that the price at which such transactions are entered into represent what would ultimately be the underlying investment’s fair value.

To address these conflicts, the Governing Documents of each Fund will typically require the consent of a Fund’s limited partner advisory board or other appropriate consent of the Fund’s investors in connection with any transaction in which a Fund is the seller of securities directly to, or the purchaser of securities directly from, another Fund. In such circumstances as Cross Trades that arise in the context of automatic or other re-balancing of investments among parallel investing entities, Whitehorse generally will not seek a fairness opinion or advisory board consent given that such transactions typically are effected close in time to the initial Fund’s investment or pursuant to authorizing provisions in the relevant Governing Documents. Cross Trades that do not require investor approval generally are required to proceed pursuant to (i) an arm’s-length transaction, as applicable, or (ii) a transaction occurring within a timeframe as specified in the Governing Documents of each Fund, at such Fund’s or such other Fund’s cost, as applicable (which cost shall include cost of funds and, without duplication, any interest, fees, and other charges incurred by such Fund or such other Fund, as applicable, in connection with its acquisition of such securities). Further, Whitehorse would seek to ensure that any such Cross Trade is consistent with applicable law and the investment objectives and policies of each Fund involved in the trade, as well as with the Firm’s fiduciary duty and obligation to seek to obtain best execution for each Fund.

*Principal Transactions*

To the extent that Cross Trades may be viewed as principal transactions (as such term is defined under the Advisers Act) due to the ownership interest in a Fund by the Firm or its personnel, the Firm will

comply with the requirements of Section 206(3) of the Advisers Act. Any such transactions will be considered on behalf of investors in such Fund and approved or disapproved by the Fund's limited partner advisory board.

*Conflicts of Interest Created by Contemporaneous Trading*

Whitehorse expects to be presented with investment opportunities that would be suitable not only for a Fund but also for other Funds and other investment vehicles operated by Whitehorse or advisory affiliates of Whitehorse. In determining which investment vehicles should participate in such investment opportunities, Whitehorse and its affiliates are subject to conflicts of interest among the investors in such investment vehicles. Whitehorse's allocation of investment opportunities among the persons and in the manner discussed herein often will not result in proportional allocations among such persons, and such allocations likely will be more or less advantageous to some such persons relative to others. While Whitehorse will allocate investment opportunities in a manner that it believes is fair and equitable to its Funds under the circumstances over time and considering relevant factors, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made, will be as favorable as they would be if the potential conflicts of interest to which Whitehorse expects to be subject, discussed herein, did not exist. Except as required by the Governing Documents, Whitehorse is not obligated to recommend any investment to any particular investment vehicle.

Whitehorse must first determine which Fund(s) will, or are required to, participate in the relevant investment opportunity. Whitehorse generally assesses whether an investment opportunity is appropriate for a particular Fund based on the Governing Documents, as well as factors including, but not limited to: (a) any applicable investment limitations, including any single-security concentration limits, strategy concentration limits, cumulative security concentration limits or other limitations as set forth in such vehicle's Governing Documents (b) the desired diversification amongst deal and security types for such vehicle, (c) Whitehorse's reasonable expectations about its ability to originate certain types of deals, (d) the desired relative allocation of a particular type of deal and/or security between other Funds with overlapping investment objectives, (e) risk considerations, (f) the applicable Fund's targeted rates of return, (g) tax implications, (h) current and anticipated market conditions and (i) such other factors as Whitehorse deems relevant and appropriate in good faith. Whitehorse will allocate investment opportunities among Funds in a manner that it believes is fair and equitable to its Funds under the circumstances over time consistent with Whitehorse's obligations. Whitehorse reserves the right to take into consideration factors such as those set forth above in accordance with its allocation policy.

Following such determination of allocation among Funds, Whitehorse reserves the right to offer co-investment opportunities to one or more potential co-investors, including vendors, service providers and/or other third parties, as determined by the Governing Documents, Side Letters and Whitehorse's allocation policy. Whitehorse's procedures permit it to take into consideration a variety of factors in making such determinations, including, but not limited to: (i) the suitability of potential co-investors, (ii) their ability to execute transactions in a timely manner, (iii) whether they require particular securities as part of their participation, (iv) the current and expected pipeline of potential investment opportunities and (v) such other factors as Whitehorse deems appropriate under the circumstances. Although Whitehorse reserves the right to consider a prospective co-investor's willingness to invest in future Funds, such willingness generally will not be the sole determining factor considered by Whitehorse in identifying co-investors. Whitehorse reserves the right to grant certain third-party investors the opportunity to evaluate specified amounts of prospective co-investments in Portfolio Entities or otherwise to have priority in co-investment opportunities.

*Whitehorse Information; Other Incidental Benefits*

In connection with its services to the Funds and their investments, Whitehorse, its affiliates and personnel expect to receive the benefit of certain tangible and intangible benefits. For example, in the

course of Whitehorse's operations, including research, due diligence, investment monitoring, operational improvements and investment activities, Whitehorse and its personnel expect to receive and benefit from information, "know-how," experience, analysis and data relating to Fund or Portfolio Entity (as applicable) operations, terms, trends, market demands, customers, vendors and other metrics (collectively, "**Whitehorse Information**"). In many cases, Whitehorse Information will include tools, procedures and resources developed by Whitehorse to organize or systematize Whitehorse Information for ongoing or future use. Although Whitehorse expects its Funds and its Portfolio Entities generally to benefit from Whitehorse's possession of Whitehorse Information, it is possible that any benefits will be experienced solely by other or future Funds or Portfolio Entities (or by Whitehorse and its personnel) and not by the Fund or Portfolio Entities from which Whitehorse Information was originally received or derived. Whitehorse Information will be the sole intellectual property of Whitehorse and solely for the use of Whitehorse. Whitehorse reserves the right to use, share, license, sell or monetize Whitehorse Information, without offsetting or otherwise reducing GP Share, and the relevant Fund or Portfolio Entity will not receive any financial or other benefit of such use, sharing, licensure, sale or monetization. Additionally, expenses relating to the Funds or Portfolio Entities are expected to be charged using credit cards or other widely available third-party rewards programs that provide airline miles, hotel stays, travel rewards, traveler loyalty or status programs, "points," "cash back," rebates, discounts and other arrangements, perquisites and benefits under the available terms of such reward programs. Such programs are expected to vary over time, and any such rewards (whether or not *de minimis* or difficult to value) generally will inure to the benefit of the personnel participating in the rewards program, rather than the Portfolio Entities, the Funds or their respective investors; no such rewards will offset or reduce the GP Share.

#### Service Providers

Whitehorse generally exercises its discretion to recommend to a Fund or to a Portfolio Entity that it contract for services with certain service providers, and such service providers are expected to include: (i) Whitehorse or a related person of Whitehorse; (ii) an entity with which Whitehorse or its affiliates or current or former personnel has a relationship or from which Whitehorse or its affiliates or their personnel otherwise derives financial or other benefit, including relationships with joint venturers or co-venturers, or relationships where Whitehorse personnel are seconded, or from which Whitehorse receives secondees; or (iii) certain limited partners or their affiliates. For example, Whitehorse expects to be presented with opportunities to receive financing and/or other services in connection with a Fund's investments from certain limited partners or their affiliates that are engaged in lending or related business. This discretion subjects Whitehorse to conflicts of interest, because, although Whitehorse selects service providers that it believes are aligned with its operational strategies and will enhance portfolio investment performance and, relatedly, returns of the relevant Fund, Whitehorse has a potential incentive to recommend the related or other person (including a limited partner) because of its financial or other business interest. There is a possibility that Whitehorse, because of such belief or for other reasons (including whether the use of such persons could establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant Funds or Whitehorse), would favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. Whitehorse will not necessarily seek out the lowest cost options when incurring (or causing a Fund or Portfolio Entities to incur) such expenses. Although Whitehorse generally seeks appropriate rates for services, it reserves the right to prioritize prior usage, perceived quality, sector competence or expertise, familiarity, onboarding speed or other factors in retaining or recommending service providers. Additionally, Whitehorse expects certain service providers, their affiliates and personnel to invest in, or co-invest alongside, one or more Funds, and due to the nature of the service provider relationships and the timing of services these persons have the potential to have information advantages relative to other investors or co-investors, and likely will be offered co-investment opportunities before such opportunities are presented to other interested prospective co-investors. Based on the foregoing factors, limited partners should not expect service providers to Whitehorse or any Fund to provide services that will be the most beneficial to any limited partner.



*Secondary Transfers*

In certain cases, Whitehorse will have the opportunity (but, subject to any applicable restrictions or procedures in the Governing Documents, no obligation) to identify one or more secondary transferees of interests in a Fund. In such cases, Whitehorse is not expected to receive compensation for identifying such transferees and will use its discretion to select such transferees based on suitability and other factors, and unless required by the Governing Documents, will determine in its sole discretion whether the opportunity to receive a transfer of Fund interests should be offered to one or more existing Fund investors.

*Conflicts of Interest will Arise in Respect of Portfolio Investments by a Fund*

It is expected that a Fund will acquire investments in the same portfolio investment opportunity or Portfolio Entity as another Fund as part of a single transaction or otherwise. In connection with any such investment, the Funds could have conflicting interests if they invest in the same portfolio company or underlying portfolio fund opportunity. Investments by more than one Fund in an underlying investment have the potential to raise the risk of using assets of one Fund to support positions taken by other Funds. Where one or more other Funds invest in the same securities, Whitehorse could give advice to, or otherwise take actions on behalf of, each such Fund in respect of such investments that could differ from advice given to or actions taken on behalf of the other Fund(s). Such advice or actions on behalf of other Funds could adversely impact a Fund or could otherwise result in such Funds achieving returns on such investments that are better than the returns achieved by a Fund.

Potential conflicts are expected to arise when and to the extent a Fund makes investments in conjunction with an investment being made by another Fund, or if it were to invest in the securities of a portfolio company or underlying portfolio fund in which another Fund has already made an investment. A Fund may not, for example, invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as other Funds. This likely will result in differences in price, terms, leverage and associated costs. Further, there can be no assurance that the relevant Fund and the other Fund(s) with which it co-invests will exit such investment at the same time or on the same terms. There can be no assurance that the return on one Fund's investments will be the same as the returns obtained by other Funds participating in a given transaction. Given the nature of the relevant conflicts, there can be no assurance that any such conflict can be resolved in a manner that is beneficial to both Funds. In that regard, actions taken for one or more Funds may adversely affect others.

Where multiple Funds invest at different or overlapping levels of a portfolio investment's capital structure, there is a potential for conflicts of interest in determining the terms of each such investment and ongoing decisions related thereto. Questions may arise subsequently as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced or restructured. In troubled situations, decisions, including whether to enforce claims, or whether to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any workout or restructuring, may raise conflicts of interest, particularly with respect to Funds that have invested in different securities within the same portfolio investment. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, Funds may or may not provide such additional capital, and if provided, each Fund generally will supply such additional capital in such amounts, if any, as determined by Whitehorse in its sole discretion. Because of the different legal rights associated with debt and equity (or different tranches of equity) of the same portfolio investment, Whitehorse expects to face a potential conflict of interest in respect of the advice it gives to, and the actions it takes on behalf of, one Fund versus another Fund (e.g., the terms of debt instruments, the enforcement of covenants, the terms of recapitalizations and the resolution of workouts or bankruptcies). If a Fund enters into any indebtedness with another Fund on a joint and several basis, the applicable General Partner is expected to enter into one or more agreements that

provide each Fund with a right of contribution, subrogation or reimbursement. In administering, or seeking to reinforce, these agreements, Whitehorse expects to be subject to potential conflicts of interest, for example between a Fund with a reimbursement obligation and a Fund seeking reimbursement. In certain circumstances, Funds are expected to be prohibited from exercising (or Whitehorse may deem it appropriate to refrain from exercising) voting or other rights to mitigate the relevant potential conflicts, notwithstanding the fact that the investment(s) of one Fund or the other may be subject to creditor claims regarding subordination of interests.

In circumstances where two or more Funds hold investments in different classes of a portfolio investment's capital structure, Whitehorse intends, to the fullest extent permitted by applicable law, to take steps in respect of such investments to reduce the potential for adversity between such Funds, including by causing a Fund to take certain actions that, in the absence of such conflict, it would not take. Any such step could have the effect of benefiting certain Funds more than others and therefore could not be in the best interests of, and could be averse to, a participating Fund.

*Transactions between a Fund and Investors or Prospective Investors of a Fund or Other Funds*

Investors and prospective investors of a Fund or other Funds can sell or buy portfolio investments to or from a Fund and, in the case of such a sale, can use the proceeds to make commitments to a Fund or other Funds. Such transactions can give rise to conflicts of interest to the extent that Whitehorse is incentivized to facilitate such transactions on terms acceptable to the relevant investors or prospective investors to facilitate such commitments to a Fund or other Funds.

*Compensation to Whitehorse Affiliates*

The Governing Documents provide Whitehorse with wide-ranging authority to make determinations, including those related to investment purchases and dispositions (and their timing), valuation and other matters that in each case have the potential to affect the compensation of Whitehorse and its affiliates. In making such determinations, Whitehorse is subject to potential conflicts of interest. For example, the potential to earn additional compensation creates an incentive for Whitehorse or its affiliates to make investments and to hold investments longer than otherwise would be the case in the absence of the relevant Fund's GP Share and carried interest compensation arrangements. Whitehorse expects to be incentivized to cause a Fund to make, hold, and value investments in order to receive greater ongoing GP Share and, potentially, earlier and/or larger carried interest distributions than would otherwise be the case.

Where the GP Share is calculated taking into account the valuation of an investment, Whitehorse will have incentives to make determinations that result in the continued payment of, or a higher, GP Share. Where the Governing Documents do not require GP Share to be reduced in connection with investment reorganizations, restructurings, roll-over investments, extraordinary dividends or similar transactions, Whitehorse is incentivized to pursue such transactions. Additionally, the amount of carried interest owed to the relevant General Partner is dependent in part on the amount and timing of investment dispositions, as well as in certain instances the valuation of investments, and the relevant General Partner expects to be subject to related potential conflicts of interest in determining whether and when to dispose of investments, make distributions, and/or determine that an investment is assigned a certain value, within the requirements of the relevant Governing Documents.

Whitehorse's wide-ranging authority to determine the valuation of investments, and the criteria used by the relevant General Partner or its affiliates in valuing an investment, have the potential to be subjective, to be influenced by market information and other factors and to vary over time. There can be no assurance that a third party or investor would agree with the substance or timing of the relevant General Partner's determination that an investment should be assigned a particular value, and except as set forth in the Governing Documents, neither the General Partner nor its affiliates is obligated to follow any third-party methodology in making its determination on whether an investment meets the



relevant standards or whether value can be recovered or retained during the Fund's holding period. The General Partner is entitled to make its own determination taking into account all facts and circumstances it deems relevant, subject to the provisions of the Governing Documents. As a general matter, the standards for determining any write downs or write offs are intended to be high, and are not intended to apply to investments experiencing partial or temporary declines in value. Because the amount of Whitehorse's compensation is dependent in part on an investment's valuation, the relevant General Partner faces potential conflicts of interest in determining whether an investment meets, or continues to meet, the relevant criteria to support the associated valuation. Although Whitehorse intends to operate in accordance with the Governing Documents, as well as its valuation policy, in order to mitigate the potential for subjectivity in making such determinations, there can be no assurance that such policy will address all of the necessary factors to do so, or completely eliminate all potential conflicts of interest in such determinations.

### ***Resolution of Conflicts***

Whitehorse attempts to resolve, manage or mitigate such conflicts of interest in light of its obligations to the Funds. Whitehorse deals with all conflicts of interest using its good faith judgment, considering such factors as it deems relevant, but in its sole discretion. In resolving conflicts that arise among Funds, Whitehorse or General Partners of its Funds, Whitehorse considers various factors, including the immediate and/or longer-term interests of the Funds and/or other parties involved. Certain conflicts of interest could be resolved by investment guidelines or other provisions set forth in the Governing Documents of a Fund. In the case of all conflicts involving Funds, the determination as to which factors are relevant, and the resolution of such conflicts, will be made in the sole discretion of Whitehorse, except as required by law (e.g., ERISA), or the Governing Documents of the relevant Funds.

In managing, mitigating or resolving conflicts, Whitehorse seeks to treat all Funds fairly and equitably over time. Whitehorse will attempt to resolve any such conflicts of interest in good faith, but there can be no assurance that such conflicts of interest or actions taken by Whitehorse with respect to a Fund will not have an adverse effect on the investments made by that Fund or another Fund.

### **Item 12: Brokerage Practices**

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Whitehorse focuses on securities transactions of private investments and generally purchases and sells such securities through privately negotiated transactions in which the services of a broker-dealer are typically not retained. However, Whitehorse reserves the right to acquire public securities through market purchases, may receive shares of certain companies as part of a general distribution in kind, and may distribute securities to investors in a Fund or sell such securities, including through the use of a broker-dealer. In selecting broker-dealers to execute transactions, Whitehorse does not need to solicit competitive bids and does not have an obligation to seek the most favorable pricing. The Funds' securities and other assets are held in securities accounts at "Qualified Custodians" (as defined in the Advisers Act) or, for certain privately offered securities or assets, in accordance with the Custody Rule under the Advisers Act.

### ***Best Execution***

In selecting an appropriate broker-dealer (including prime brokers) to execute transactions, provide financing and securities on loan, hold cash and short balances and provide other services, Whitehorse seeks to obtain "**Best Execution**," meaning Whitehorse will execute transactions in a manner most favorable and beneficial to the Funds under the circumstances. Whitehorse considers many factors in determining whether it obtains Best Execution, only one of which is actual commission rate or price paid or received. Best execution is qualitative, and not quantitative, and Whitehorse will weigh a combination of criteria to determine whether the transaction in question represents the best "qualitative" execution for the Fund. Those factors include but are not limited to execution and research quality; competitiveness on pricing, the ability of the brokers and dealers to effect the transaction; the brokers'

or dealers' financial stability, reputation, and reliability; the availability of securities to borrow for short sales and the provision by the brokers of capital introduction, talent introduction, marketing assistance, consulting with respect to technology, operations and equipment and commitment of capital. Accordingly, the commission rates (or markups or markdowns) paid by the Funds in the foregoing circumstances may be higher than those charged by other brokers or dealers that may not offer such services. Generally, neither Whitehorse nor any Fund separately compensates any broker or dealer for any of these other services. Whitehorse's "**Best Execution Policy**" requires that all trades are executed through approved broker-dealers and that the Firm reviews the performance of its broker-dealers to evaluate whether the Firm is obtaining Best Execution for its Funds' trades.

Whitehorse maintains policies and procedures to review the quality of executions, including periodic reviews by its trading and investment professionals.

***Soft Dollars***

The Firm currently does not use soft dollars. The Firm may however use them in the future. In such cases, soft dollar credits, generated by a Fund's trading activities, would be used to purchase brokerage and research services or products that would otherwise have been a Fund's expense. The Firm intends to keep any such arrangements within the parameters of the safe harbor of Section 28(e) of the Securities Exchange Act of 1934.

***Brokerage for Client Referrals***

Whitehorse does not consider whether it will receive client referrals from a broker-dealer when selecting or recommending broker-dealers. Neither Whitehorse nor any related person receives client referrals from any broker-dealer or third party. However, subject to best execution, the Firm may consider, among other things, capital introduction and marketing assistance with respect to investors in a Fund in selecting or recommending broker-dealers for the Fund.

***Directed Brokerage***

Whitehorse does not permit clients to direct their transactions to particular broker-dealers.

***Trade Aggregation***

Although Whitehorse does not often trade in public securities, in certain circumstances Whitehorse may place a combined order for two or more advisory clients engaged in the purchase or sale of the same security if, in its good faith determination, joint execution would be consistent with its duty to seek best execution, consistent with the terms of the participating clients' Governing Documents, and otherwise in the best interests of its Funds.

**Item 13: Review of Accounts**

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The investments made by Funds are generally private, illiquid and long-term in nature. Accordingly, the review process is not directed toward a short-term decision to dispose of securities. However, Whitehorse's Managing Partner and investment professionals monitor and analyze the transactions, positions, and investment levels of the Funds to ensure that they conform with the investment objectives and guidelines that are stated in the Funds' respective Governing Documents. In these reviews, such persons pay particular attention to any changes in the investments' fundamentals, overall risk management and changes in the markets that may affect price levels.

The Funds will distribute annual audited financial statements to investors with respect to the previous fiscal year within the timeframes as specified within the Governing Documents and may also distribute other interim reports to investors. Please refer to the Governing Documents of the relevant Fund for further information on the reports provided by a particular Fund to its investors.

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

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***Economic Benefits Received from Third Parties***

Whitehorse does not receive economic benefits from non-clients for providing investment advice and other advisory services.

***Third Party Compensation for Client Referrals***

Whitehorse reserves the right to enter into solicitation arrangements pursuant to which it compensates third parties for referrals that result in a potential investor becoming a limited partner in a Fund. Any fees and expenses of such placement agents generally will be borne by Whitehorse directly or indirectly through an offset against the GP Share under the Governing Documents. Investors in the Funds will not be charged any additional amount by Whitehorse or bear any additional charges as a result of an introduction through a placement agent or other unaffiliated third party; provided, however, that certain investors that participate in a Fund through “high net worth” feeder vehicles, or certain “high net worth” investors that are introduced to a Fund through a placement agent or financial broker and invest directly in the Fund, may be charged fees, including placement fees, by the sponsor of such feeder program or such agent or broker.

**Item 15: Custody**

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Whitehorse will not have physical custody of any client assets (other than certain privately offered securities to the extent permitted by the Advisers Act). Nevertheless, Whitehorse generally expects that it will be deemed to have custody (within the meaning of Rule 206(4)-2 under the Advisers Act) of the funds and securities of the Funds because Whitehorse has the authority to obtain funds or securities on behalf of the Funds.

It is Whitehorse’s general policy to (i) cause each Fund with assets over which Whitehorse is deemed to have “custody” (within the meaning of Advisers Act Rule 206(4)-2) to distribute audited financial statements, prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) and audited by an accountant subject to regular inspection by the Public Company Accounting Oversight Board, to investors annually and no later than 180 days after the end of each fiscal year and (ii) upon the final liquidation of any Fund, obtain a final audit and distribute audited financial statements prepared in accordance with GAAP and audited by an accountant subject to regular inspection by the Public Company Accounting Oversight Board, to investors promptly after completion of the audit.

**Item 16: Investment Discretion**

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Whitehorse will have full discretionary authority over the accounts of its Funds, including authority to make decisions with respect to which securities are bought and sold, as well as the amount and price of those securities.

**Item 17: Voting Client Securities**

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In compliance with Rule 206(4)-6 under the Advisers Act, the Firm has adopted proxy voting policies and procedures. The Firm will act in the best interests of its Funds when exercising its proxy voting authority. The Firm determines whether and how to vote corporate actions and proxies on a case-by-case basis, and will:

- Attempt to consider all aspects of the vote that could affect the value of the issuer or that of the Fund;
- Vote in a manner that it believes is consistent with the Fund’s stated objectives; and

- Generally, vote in accordance with the recommendation of the management of the underlying issuer on routine and administrative matters, unless the Firm has a particular reason to vote to the contrary.

Generally, investors may not direct Whitehorse's vote in a particular solicitation. Investors may at no charge obtain a copy of the Firm's proxy voting policies and procedures or information regarding how Whitehorse voted proxies for particular portfolio investments after the effective date of registration by contacting the Firm at [compliance@whitehorseliquidity.com](mailto:compliance@whitehorseliquidity.com) or 647- 925-1284.

**Item 18: Financial Information**

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Whitehorse is not required to include a balance sheet for its most recent fiscal year as it does not require prepayment of management fees more than six months in advance or have any other events requiring disclosure under this Item of the Brochure. Whitehorse has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to the Funds and has not been the subject of a bankruptcy proceeding.