

**Item 1: Cover Page**

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March 22, 2024

Form ADV, Part 2A (the “Brochure”) provides information about the qualifications and business practices of Cedar Springs Advisors, LLC (the “Adviser”). If you have any questions about the contents of this Brochure, please contact Imran Hussain at 214-495-1562.

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

The Adviser is registered as an investment adviser with the Securities and Exchange Commission (the “SEC”) under the Investment Advisers Act of 1940 (the “Advisers Act”). Registration as an investment adviser with the SEC does not imply a certain level of skill or training. In addition, the information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

**Item 2: Material Changes**

There are no material changes to report since March 2023, the date of the Adviser's most recent annual amendment to its brochure. Nevertheless, investors are encouraged to read this document in its entirety.

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#### **Item 4: Advisory Business**

Cedar Springs Advisors, LLC, (the “Adviser”) is an investment advisory firm organized as a Texas limited liability company that was founded in January 2015. The Adviser is owned by Colin McGrady and Neset Pirkul.

The Adviser provides discretionary investment management services to affiliated investment funds (each a “Fund” and collectively, the “Funds”). The Adviser’s services to the Funds consist of (i) investigating, identifying and evaluating investment opportunities; (ii) structuring, negotiating and making investments on behalf of the Funds; (iii) managing and monitoring the performance of such investments; and (iv) exiting such investments on behalf of the Funds. The Adviser’s services to each Fund are subject to the specific investment objectives and restrictions applicable to such Fund, as set forth in such Fund’s limited partnership agreement and other governing documents (collectively, the “Governing Documents”).

The Funds make primarily long-term private equity and equity-related investments. In accordance with the Funds’ respective investment objectives, the Funds are generally focused on investments through secondary transactions with a focus on North American middle market companies (each, a “Portfolio Investment”).

Investors and prospective investors in each Fund should refer to the Governing Documents of that Fund for information on the investment objectives and investment restrictions with respect to that Fund. There can be no assurance that any of the Funds’ investment objectives will be achieved. As such, the Adviser’s services are generally not tailored to the individualized needs of any particular investor of the Fund. Since the Adviser does not provide individualized advice to investors (and an investment in the Fund does not, in and of itself, create an advisory relationship between the investor and the Adviser), investors must consider whether a particular Fund meets their investment objectives and risk tolerance prior to investing.

All discussion of the Funds in this brochure, including but not limited to its investments, the strategies used in managing the Funds, and conflicts of interest faced by the Adviser in connection with the management of the Funds are qualified in their entirety by reference to each Funds’ respective Governing Documents.

As of December 31, 2023, the Adviser has approximately \$220,230,709 in assets under management, all managed on a discretionary basis.

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

##### *Compensation and Fees*

The Adviser will receive from the Funds a Management Fee. Generally, Management Fees are payable quarterly in advance by limited partners in the Funds. The Management Fee will cover all ordinary administrative and overhead expenses of the Adviser, including salaries, rent and office equipment. In addition, certain Management Fees are subject to management fee offsets. The precise amount of, and the manner and calculation of, the Management Fees for each Fund is governed and disclosed in the Governing Documents. Below is a summary of the Management Fee structures for each Fund.

### **Cedar Springs ONSET SPV, LP**

Investors in Cedar Springs ONSET SPV, LP will bear a management fee equal to 1% of net invested capital per annum for four years from the start of the Fund.

### **Cedar Springs Special Opportunities III, LP**

Investors in Cedar Springs Special Opportunities III, LP will bear a management fee equal to 2% of committed capital per annum from the start of the Fund through its third anniversary and then 2% per annum of unreturned capital commitments thereafter.

### **Cedar Springs Special Opportunities IV, LP**

Investors in Cedar Springs Special Opportunities IV, LP will bear a management fee equal to 1% per annum of the lesser of (i) the aggregate capital commitments used by the fund for the acquisition of the investment (excluding any portion of capital contributions received by the Fund for partnership costs or organizational and operational costs) of all limited partners of the fund and (ii) the fair market value of the investment.

### **CCM Capital Opportunities Fund, LP**

Investors in CCM Capital Opportunities Fund, LP will bear a management fee equal to 2% of the aggregate capital contributions allocated to the remaining assets within the Fund, less the cost basis or write-down amount of each investment, per annum. In addition, the management fees are subject to certain offsets including a 50% offset of all investment fees, a 100% offset of all excess organizational expenses, and 100% of the aggregate capital contributions deemed made by the general partner of the fund.

### **CSC CL Special Situations Fund, LP**

Investors in CSC CL Special Situations Fund, LP will bear a management fee in an amount equal to 1% per annum of the aggregate capital contributions from the close of the fund through its third anniversary. After the third anniversary, the management fee will be an amount equal to 1% per annum of the aggregate unreturned capital contributions.

### **Other Funds**

During the year, the Adviser may launch new Funds. The management fee calculations for these Funds will be outlined within the Governing Documents for each Fund, and may differ from the management fees that are described above.

#### *Other Fees*

In the future, the Adviser may collect transaction or monitoring fees (“Additional Fees”) from certain Funds or from Portfolio Investments. Such Additional Fees will generally offset the Management Fee in accordance with the Fund’s governing documents.

#### *Expenses*

The Funds are subject to expenses associated with operating the partnership. Expenses described below are general in nature and not intended to be exhaustive. For more information, please refer to

each Fund's governing documents for a list of expenses that are paid by a particular Fund. Generally, each Fund will bear all partnership expenses including costs and expenses incurred in respect of: (i) organizational expenses; (ii) the identification, evaluation, acquisition, holding, sale or disposition of all or any portion of any investment, any in-kind distribution made to a Fund or any temporary investment (including due diligence expenses, brokerage commissions, custodial expenses, appraisal fees, cash management expenses or other investment costs); (iii) management fees; (iv) legal, accounting and consulting expenses (including accounting and audit compliance, preparation of the Partnership's financial statements, tax returns and Schedule K-1s); (v) reasonable travel and related items; (vi) meetings and communications with the limited partners; (vii) actions or meetings of a Fund's advisory board and all reasonable costs and disbursements of separate legal counsel retained by the advisory board; (viii) insurance; (ix) filings and registrations; (x) taxes, fees and other governmental charges, expenses incurred in connection with any tax compliance, tax audit, investigation, settlement or review of a Fund and expenses incurred by the general partner; (xi) the dissolution, liquidation and termination of a Fund and its general partner; and (xii) any litigation, indemnifiable claim or other extraordinary item incurred in respect of a Fund (including the amount of any judgments or settlements paid in connection therewith); provided, however, that all office rent, salaries for officers, employees and other personnel, and regulatory compliance costs of the general partner or the Adviser, other overhead expenses of the general partner, the Adviser and their respective affiliates shall be borne by the general partner, the Adviser and their respective affiliates, as the case may be, and shall not constitute Fund costs or expenses.

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

To the extent applicable, in terms of performance-based fees, the Funds pay the respective general partner of the Funds a varying "carried interest" percentage (up to 25%) of profits on distributions derived from the disposition of investments or securities, after accounting for expenses and a preferred return to limited partners which varies by Fund. The carried interest is paid to the respective general partner at the time of and out of the distribution of profits to limited partners. Carried interest that has been paid is subject to clawback under certain circumstances and will be subject to certain adjustments and reserves as stated in more detail in the Fund's Governing Documents. Investors should read the Fund's governing documents carefully to understand the specific performance-based fees applicable to a particular Fund.

Performance-based fees or compensation, in general, may create an incentive for the Adviser or its supervised persons to make investments that are riskier and more speculative than would be the case in the absence of a performance-based fee. Such fee arrangements may also create an incentive to favor higher fee-paying Funds over other Funds in the allocation of investment opportunities. Although the Adviser manages multiple Funds, in general, the Adviser expects that only a single Fund will be eligible to participate in a new investment at any given time. To the extent that any such conflict was to arise, in order to address such conflict(s), the Adviser has implemented policies and procedures to ensure that all clients receive equitable and fair treatment over time with respect to the allocation of investment opportunities. Please see Item 11. Code of Ethics, Participation of Interest in Client Transactions and Personal Trading below for more information related to the Adviser's allocation policies.

#### **Allocation of Investment Opportunities**

The Adviser seeks to identify an investment opportunity and raise capital from investors on a deal-by-deal basis. Accordingly, the Adviser does not generally need to make a decision on where to allocate a Portfolio Investment between Funds, as each Fund is formed for the sole purpose of

investing in a specific investment opportunity. To allocate follow-on opportunities fairly and equitably, a follow-on investment opportunity in an existing Portfolio Investment will first be considered as an opportunity for the Fund that holds the existing Portfolio Investment. If such Fund cannot make the all or part of the follow-on investment (e.g., because the Fund does not have enough unreserved capital left to invest, among other reasons), the Adviser may seek to raise additional capital from new investors and create a new Fund vehicle to consummate the follow-on opportunity.

While it is not expected, to the extent that, in the future, multiple Funds hold an interest in the same Portfolio Investment, it is the Firm's policy that disposition opportunities with respect to that investment will, to the extent practicable, be allocated among such Funds on a basis that is fair and equitable to each Fund relative to the other participating Funds, taking into account all relevant facts and circumstances, including (without limitation and in no particular order): (i) the relative ownership percentages of the Funds in the applicable portfolio company, (ii) the strategies, guidelines and restrictions applicable to each Fund under its governing documents, (iii) liquidity needs for each Fund and the investment cycle of a particular Fund, (iv) respective holding periods for the investment, (v) the nature and size of the disposition opportunity, (vi) current and anticipated market conditions, and (vii) tax, legal or regulatory considerations.

If a deal is oversubscribed, the Firm will reduce the amount of each investor's interest on a pro-rata basis (the "Pro-Rata Reduction"). Certain investors have expressed a minimum amount they seek to invest for any particular deal. If a Pro-Rata Reduction reduces an investors allocation below their minimum investable amount, that investor will not participate in the deal and the remaining capacity will be re-allocated on a pro-rata basis to the participating investors. However, the CCO may grant exceptions to the Pro-Rata Reduction (e.g., if the reduction for certain investors jeopardizes the deal being completed).

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

The Adviser currently provides investment supervisory services to the Funds. Investment advice is provided directly to the Funds (subject to the direction and control of the general partner of each such Fund, if applicable) and not individually to investors in such Fund.

Interests in the Funds are offered pursuant to applicable exemptions from registration under the Securities Act and the 1940 Act. Investors in the Funds are generally "qualified purchasers" as defined in the 1940 Act, and may include, among others, high net worth individuals, banks, thrift institutions, pension and profit sharing plans, trusts, estates, charitable organizations, university endowments, corporations, limited partnerships and limited liability companies or other entities.

The Adviser does not have a minimum size for a Fund, but minimum investment commitments may be established for investors in the Funds. The general partner of each Fund may in its sole discretion permit investments below the minimum amounts set forth in the Governing Documents of such Fund.

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

The Funds' investment strategies will be described in their respective Governing Documents.

The Adviser's primary purpose is to invest capital in middle-market companies through complex secondary private equity transactions. The form of such targeted transactions can include, but not

limited to, secondary transfers of limited partnerships, acquisitions of portfolios of co-investments and direct investments, secondary direct transactions in companies, and fund restructurings.

**THE FOREGOING RISKS DO NOT PURPORT TO BE A COMPLETE EXPLANATION OF ALL THE RISKS INVOLVED IN INVESTING IN THE FUND. POTENTIAL INVESTORS ARE URGED TO READ THIS ENTIRE DOCUMENT AND THE APPLICABLE GOVERNING DOCUMENTS BEFORE MAKING A DETERMINATION WHETHER TO INVEST IN THE FUND.**

The Funds and their investors bear the risk of loss that the Adviser's investment strategy entails. Although the following risk factors are generally applicable to the Adviser's advisory business, investors should also refer to the applicable Governing Documents for risk factors specific to a particular Fund or investment strategy offered through a managed account platform. The risks involved with the Adviser's investment strategy and an investment in a Fund include, but are not limited to:

*Portfolio Fund Investments.* The Adviser's primary investment portfolio consists mostly of commitments to other investment funds that the Adviser believes to be well-established investment firms. The Adviser also may invest with first-time or emerging investment firms and it is possible that the Funds will lose some or all of its investment to any of such firms. In addition, the Adviser will be dependent on the key personnel of the other investment funds to which it commits, and will have no control over their possible departure from such funds. Also, investing in other investment funds involves additional level of fees and expenses.

*No Liquid Market.* The Adviser's strategy generally involves acquiring securities for which no liquid market exists and that can be sold on a secondary market only in certain circumstances. Additionally, the Adviser will generally acquire securities that are subject to contractual or other restrictions on transfer. The market prices, if any, of such investments tend to be volatile and the Adviser may not be able to sell such investments when they desire or, upon sale, to realize what the Adviser perceives to be fair value.

*Reliance on Portfolio Fund Management.* The Adviser invests in other investment funds that may have some or all of the following characteristics: (1) with no or limited investment histories, (2) reliance on a few key principals at such investment funds, (3) that may invest in portfolio companies with no or limited operating histories, (4) reliance on a few key managers at underlying investments, (5) are organized and/or operate outside the U.S., and (6) are, or have investments that are, highly leveraged and/or that operate in rapidly changing markets. Generally, the Funds as an investor, will be a limited partner with no management authority and will be relying on the management skill of such other investment fund's general partner.

*Risks of Co-Investments.* The Adviser may directly co-invest instead of investing into another investment fund. Co-investments in any one particular investment, by their nature, are less diversified than an investment in another investment fund (or in multiple other investment funds) that in turn invest in a number of investments. This lack of diversification may adversely affect the performance of any single co-investment.

*Business Risks.* The Adviser's investment portfolio, including the investment portfolios of the other investment funds to which the Funds invest, consist primarily of securities issued by privately held (and potentially also unseasoned) companies, and operating results in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk that can



result in substantial losses.

*Future and Past Performance.* While the Adviser intends for the Funds to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurances that any targeted internal rate of return will be achieved. On any given investment, loss of principal is possible.

*Concentration of Investments.* The Adviser participates in a limited number of investments and may seek to make several investments in one industry, one industry segment or with a limited group of investment sponsors. As a result, the investment portfolio could become highly concentrated, and the performance of a few holdings, or of a particular industry, or of a particular investment, may substantially affect its aggregate return.

*Lack of Sufficient Investment Opportunities.* The business of identifying and structuring investment funds and transactions (including commitments to other investment funds) is highly competitive and involves a high degree of uncertainty. It is possible that the investment funds targeted by the Adviser for investment may not come to market, may not have commitments available for the Funds, may have unfavorable or limiting terms, etc., that will limit or prohibit an investment by the Funds. It is possible that the Adviser will never be able to fully invest all the capital if enough sufficiently attractive investments are not identified. However, investors will be required to pay Management Fees during the investment period based on the entire amount of the limited partners' commitments. In addition, it is possible that the investment funds in which the Funds invest will never be fully invested if enough sufficiently attractive investments are not identified by such investment funds. Typically, the Funds, as an investor in such investment funds will be required to pay fees during the investment period of such investment funds based on the the Adviser's commitment to such investment fund. The Adviser may have limited, or no ability, to control or influence the fees paid to such investment funds.

*Dynamic Investment Strategy.* While the Adviser generally intends to seek attractive returns for the Funds primarily through making investments as described above, the Adviser may pursue additional investment strategies and may modify or depart from its initial investment strategy, investment process and investment techniques as it determines appropriate. The Adviser may pursue investments outside of the industries and sectors in which the principals have previously made investments or have internal operational experience.

*Illiquidity; Lack of Current Distributions.* An investment in the Adviser's products is illiquid. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment (whether by the Fund or by one of the other investment funds to which the Fund may commit). While an investment may be sold at any time, it is generally expected that this will not occur for a number of years after the initial investment. Before such time, there may be no current return on the investment. Furthermore, the expenses of operating the Fund (including the Management Fee payable to the Adviser) may exceed its income, thereby requiring that the difference be paid from the Fund's capital, including, without limitation, unfunded commitments.

*Leveraged Investments.* The Adviser (and the other investment funds to which the Adviser may make commitments) may make use of leverage by incurring or having an investment incur debt to finance investments. Leverage generally magnifies both such fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets, which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. The use of leverage also will result in interest expense and other costs to such fund that may not be covered

by distributions made to such fund or appreciation of investments.

*Reliance on the Adviser and Portfolio Fund Management.* The Adviser controls the operation of the funds and oversees managed accounts, and the future profitability of investments depends largely upon the business and investment acumen of the principals of the Adviser. The loss or reduction of service of one or more of the principals could have an adverse effect on realization of investment objectives. Although the Adviser monitors the performance of each investment, it is primarily the responsibility of each investment fund's management team to operate the investment fund on a day-to-day basis. There can be no assurance that the management of a portfolio company, or other investment fund, will be able or willing to operate such investment in accordance with the Adviser's objectives.

*Projections.* Often, the Adviser has to rely on third-party performance guidance/projections in making an investment decision. In all cases, projections are only estimates of future results that are based upon information received from the investment fund or company and assumptions made at the time the projections are developed. There can be no assurance that projected results will be obtained and actual results may be significantly different from the projections.

*Conflicting Investor Interests.* In structuring, acquiring and disposing of investments, the Adviser considers the investment and tax objectives of the Fund and its partners as a whole, not the investment, tax, or other objectives of any individual investor. With respect to tax matters, the Adviser's decisions regarding an investment may be more beneficial to one fund investor than another, depending on that investor's tax status.

*Co-Investment Opportunities.* The Adviser may, in the future and in its sole discretion, provide co-investment opportunities to some fund investors or outside parties. The principals may receive a management fee or other compensation (including, without limitation, performance-based compensation) with respect to co-investments, and may hold equity interests in, and participate in co-investments through, any entity that co-invests alongside a Fund.

*Non-U.S. Investments.* The Adviser's strategy may involve investing in investment funds that are organized or headquartered outside of the U.S., whose underlying investments may also be organized or headquartered outside of the U.S. Foreign investments involve additional risks due to different applicable laws, the risks associated with fluctuating currency exchange rates, capital repatriation regulations (as such regulations may be given effect during the term of the Fund), and the application of complex U.S. and non-U.S. tax rules to cross-border investments.

Additional risks of non-U.S. investments include: (a) economic dislocations in the host country; (b) less publicly available information; (c) less developed regulatory institutions; (d) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction; (e) civil disturbances; (f) government instability; and (g) nationalization and expropriation of private assets. Moreover, non-U.S. companies may not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to U.S. companies.

*Hedging Arrangements.* The Adviser may utilize hedging strategies to mitigate some of the risks outlined above where available and appropriate. Such arrangements usually involve additional cost to a Fund. There can be no assurance that adequate hedging arrangements will be available on an economically viable basis or that such hedging arrangements will achieve the desired effect, and in some cases hedging arrangements may result in losses greater than if hedging had not been used.

In some cases, particularly in OTC contexts, hedging arrangements subject the Funds to the risk of a counterparty's inability or refusal to perform under a hedging contract, or the potential loss of assets held by a counterparty, custodian or intermediary in connection with such hedging. OTC

contracts may expose the Funds to additional liquidity risks.

*General Partner's Carried Interest.* The fact that the General Partner's carried interest is based on a percentage of net profits (or the fact that another investment fund to which the Funds commits is subject to a carried interest) may create an incentive for the General Partner to make riskier or more speculative investments than otherwise would be the case.

*Market Conditions.* Any material change in the economic environment, including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates, could have a negative impact on the performance and/or valuation of the investments in which the Adviser invests. Deterioration in public markets and market events, such as the onset of the credit crisis in the summer of 2007 or the downgrading of the credit rating of the U.S. in 2011, can impact the public market comparable earnings multiples used to value privately held portfolio companies and investors' risk-free rate of return. The value of publicly traded securities may be volatile and difficult to sell as a block, even following a realization through listing. Market impact and other economic events may also affect such fund's ability to raise capital to support investment objectives and hamper the profitability achieved on realizations of investments.

*Force Majeure.* Clients' investments may be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism, labor strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design or construction, accidents, demographic changes, government macroeconomic policies, social instability). Some force majeure events may adversely affect the ability of any such parties to perform their obligations until they are able to remedy the force majeure event. Force majeure events that are incapable of or are too costly to cure may have a permanent adverse effect on client investments. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally. The Adviser is not able to predict the extent, severity or duration of the effect of force majeure events or quantify the impact that these events may have on its clients or their investments.

*Deterioration of Credit Markets May Affect Ability to Finance and Consummate Investments.* Deterioration of the global credit markets could make it more difficult for the Adviser to obtain favorable financing for investments, which negatively affect investment returns. As seen in the past, events such as widening of credit spreads, the deterioration of the sub-prime and global debt markets and/or a rise in interest rates, could dramatically reduce investor demand for high yield debt and senior bank debt, which in turn could lead some investment banks and other lenders to be unwilling to finance new private equity, venture capital or other investments or to only offer committed financing for these investments on unattractive terms.

## **Item 9: Disciplinary Information**

There are no legal or disciplinary events that are material to an investor's or prospective investor's evaluation of the Adviser's advisory business or the Adviser's management.

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

The Adviser is affiliated with the Funds' general partners and its respective general partners, which are under common control with the Adviser.

Cedar Springs Capital, LLC, an operating company affiliate of the Adviser ("CSC OpCo"), has three third-party minority owners (collectively less than 10%) that are otherwise unaffiliated with the Adviser (the "Affiliated Investors"). The Affiliated Investors do not have any preferred rights relating to their participation in an Portfolio Investment or Fund. Accordingly, the Adviser seeks to mitigate any conflicts of interest associated with the Affiliated Investors participation in a Portfolio Investment or Fund by following the Adviser's allocation policy. Please see *Item 6: Performance-Based Fees and Side-By-Side Management* above for more information regarding the Adviser's allocation policy.

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

### *Code of Ethics*

Pursuant to SEC Rule 204A-1, the Adviser has adopted and implemented a Code of Ethics and Securities Trading Policy (the "Code"), which sets forth standards of conduct that are expected of the Adviser supervised persons. A copy of the Code will be provided to any Client or prospective client upon request.

The Code requires the Adviser personnel to (among other things):

- Report their personal securities transactions and holdings;
- Pre-clear any proposed purchase of any initial public offering or limited offering; and
- Comply with policies and procedures reasonably designed to prevent the misuse of, or trading upon, material non-public information.

The Adviser and its affiliated persons may come into possession, from time to time, of material nonpublic or other confidential information about public companies which, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, the Adviser and its affiliated persons would be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a client of the Adviser. Accordingly, should the Adviser or any of its affiliated persons come into possession of material nonpublic or other confidential information with respect to any public company, the Adviser would be prohibited from communicating such information to clients or investors, and the Adviser will have no responsibility or liability for failing to disclose such information to clients or investors as a result of following their policies and procedures designed to comply with applicable law. Similar restrictions may be applicable as a result of the Adviser personnel serving as directors of public companies and may restrict trading on behalf of clients, including the Funds.

The Adviser maintains a restricted list that includes issuers and securities with respect to which supervised persons generally are not permitted to trade without the prior approval of the Chief Compliance Officer. The restricted list may include, for example, an issuer about which the Adviser or one or more of its personnel may have acquired, or may otherwise be in possession of, material, non-public information.

The Adviser's Code also includes policies and procedures relating to gifts and entertainment, political contributions and other potential material conflicts of interest.

### Participation or Interest in Client Transactions

The Adviser and its related persons are expected to invest in Portfolio Investments via an ownership interest in the Funds. Neither the Adviser nor any of its related persons recommend to the Funds, or buy or sell for the Funds, Portfolio Investments in which the Adviser or any related persons have a financial interest.

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

The Adviser's business generally involves privately negotiated transactions with the prospective sellers and prospective buyers. Accordingly, the Adviser generally does not use, select or otherwise recommend broker-dealer or other counterparties in connection with the investment activities of the Funds. With respect to such private transactions, the Adviser believes it fulfills its best execution responsibilities through careful evaluation and negotiation of the terms of each such transaction.

However, the Adviser will utilize broker-dealers as necessary to sell a Fund's publicly traded securities (e.g., in such limited cases where the Fund receives a distribution-in-kind from an underlying manager). When transacting in publicly traded securities, the Adviser will seek "best execution" in selecting a broker-dealer to execute such transactions, taking into account a number of factors, which may include, among others, a broker-dealer's ability to effect prompt and reliable executions at favorable prices, the operational efficiency with which transactions are effected taking into account the size of order and difficulty of execution, the financial strength, integrity and stability of a broker-dealer; the firm's risk in positioning a block of securities, the quality, comprehensiveness and frequency of related services considered to be of value, and the competitiveness of commission rates in comparison with other broker-dealers.

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

The Adviser generally monitors the financial and operating progress of the business of each portfolio investment on a current basis against plans and budgets, with more formal reviews as necessary. Such reviews will be conducted by one or more of the Adviser's officers. Certain events may require an other than periodic review. Such events include, but are not limited to, a material change in the business of a portfolio investment.

Investors in the Funds generally receive quarterly and annual reports and annual audited financial statements. Each of the Funds' investors will receive annual audited financial statements (prepared in accordance with U.S. GAAP) and unaudited quarterly statements of the Funds. Investors in each Fund will receive tax information in connection with the preparation of their federal income tax returns. All reports to investors to the Funds are in writing. The Adviser may provide additional information to certain investors that are not distributed to other investors in a Fund.

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

Neither the Adviser nor any of its affiliates generally receive any economic benefit from a non-client for providing investment advice or other services with respect to the Funds.

The Adviser does not directly or indirectly compensate any person for client or investor referrals.

**Item 15: Custody**

While it is the Adviser's practice not to accept or maintain physical possession of any client assets, the Adviser is deemed to have custody of each Fund's securities and cash for purposes of Rule 206(4)-2 of the Advisers Act.

In order to comply with Rule 206(4)-2, the Adviser utilizes the services of a bank and other qualified custodians (as defined under Rule 206(4)-2) to hold all cash and securities of the Funds (except with respect to privately offered securities). In accordance with Rule 206(4)-2, the Adviser also (1) has engaged an independent public auditor to conduct annual audits of the Funds, and (2) distributes audited financial statements of the Funds that are prepared in accordance with United States generally accepted accounting principles to all investors in the Funds within at least 120 days after the end of the fiscal year or 180 days after the end of the fiscal year in the case of a fund of funds.

**Item 16: Investment Discretion**

In accordance with the terms and conditions of the applicable Governing Documents, the Adviser generally has discretionary authority to manage each Fund's investments. Accordingly, the Adviser has the authority to determine, without obtaining specific client consent but subject to the terms and conditions of the applicable Governing Documents, which portfolio investments to make and the duration of the holding period prior to exiting such investments. Despite this broad authority, the Adviser is committed to adhering to the applicable investment strategy and program set forth in each Fund's offering documents.

**Item 17: Voting Client Securities**

The Funds will generally invest in private companies or interests in other funds which typically do not issue proxies. Under certain limited circumstances, however, the Adviser may be required to vote proxies. In these situations, the Adviser will vote proxies in the best interest of the Funds, which generally means voting to maximize the value of the relevant company held by the Funds.

The Adviser may take into account all relevant factors, in its discretion, including, without limitation:

- the impact on the value of the securities or instruments owned by the relevant client and the returns on those securities;
- the anticipated associated costs and benefits;
- the continued or increased availability of portfolio information; and
- industry and business practices.

In limited circumstances, the Adviser may refrain from voting proxies where it believes that voting would be inappropriate, taking into consideration the cost of voting the proxies and the anticipated benefit to its clients. Generally, clients may not direct the adviser's vote in a particular solicitation. Conflicts of interest may arise between the interests of the clients on the one hand and the Adviser and its affiliates on the other hand. If the Adviser determines that it may have, or be perceived to have, a conflict of interest when voting proxies, the Adviser will seek to vote in the best interest of the Funds, but may solicit an independent third party to assist with determining how to vote the proxy.

Investors may obtain a copy of the proxy voting policies and proxy voting record upon request.

**Item 18: Financial Information**

The Adviser does not require prepayment of Management Fees more than six months in advance.

Currently, the Adviser and its affiliates are not aware of any financial condition that is likely to impair the Adviser's ability to meet its contractual obligations and commitments to clients.

The Adviser was not subject of a bankruptcy petition at any time during the past ten years.