

Form ADV Part 2A Brochure

North Peak Capital Management, LLC

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March 21, 2024

This brochure provides information about the qualifications and business practices of North Peak Capital Management, LLC. If you have any questions about the contents of this brochure, please contact the Adviser's Chief Compliance Officer (the "CCO"), Michael Lorch, at (212) 209-3925 or mlorch@northpeakcapital.com.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

North Peak Capital Management, LLC is a registered investment adviser, but registration does not imply a certain level of skill or training. The oral and written communications we provide to you, including this Brochure, is information you can use to evaluate us and may be a factor in your decision to hire us or retain our services.

Additional information about North Peak Capital Management, LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

The rules promulgated under the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”), require the Adviser to identify and discuss any material changes made to its Brochure from the last update. The last update of this Brochure was filed by North Peak Capital Management, LLC with the SEC on March 23, 2023. Since this Brochure’s last update there have been no material changes.

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Item 4: Advisory Business

- A. North Peak Capital Management, LLC ("**Adviser**"), a Delaware limited liability company, is an investment adviser formed in 2015 and principally owned by Jeremy Kahan and Michael Kahan. Since August 2015, the Adviser has been managing the private fund assets of North Peak Capital Partners, LP (a section 3(c)(1) exempt onshore fund). On June 1, 2018, the Adviser launched North Peak Capital Partners II, LP (a section 3(c)(7) exempt onshore fund), on July 1, 2018, launched North Peak Capital Fund II, Ltd. (a section 3(c)(7) exempt offshore fund) for offshore and non-taxable U.S. investors, on February 1, 2023 launched North Peak Capital Alpha Fund, LP (a section 3(c)(7) exempt onshore fund) and on March 1, 2023, launched North Peak Capital Ultra Fund, LP (a section 3(c)(7) exempt onshore fund), known collectively as (the "**Funds**"). The Adviser began managing a Separately Managed Account ("SMA") on June 1, 2022. The Adviser also manages three special purpose vehicles: North Peak Special Opportunity Partners, LLC, a single stock special purpose vehicle ("**SPV**") launched on January 1, 2020; North Peak Special Opportunity Partners II, LLC, a single stock special purpose vehicle ("**SPV II**") launched on July 10, 2020; North Peak Special Opportunity Partners III, LLC, a single stock special purpose vehicle ("**SPV III**") launched on April 1, 2021; (collectively, the "**SPVs**"). The Adviser registered with the SEC effective on April 27, 2018.
- B. Adviser offers the following types of advisory services:
- i. Separately Managed Account ("SMA") Portfolio Management: Adviser provides investment advice to an institutional separately managed account client on a discretionary basis by recommending a select number of highly researched publicly traded equity securities that are capable of compounding earnings over a multi-year time horizon. The SMA will primarily focus on equities that the Adviser believes to be mispriced relative to future earnings and free cash flow. While the account will be long-biased, the Adviser will selectively take short positions in companies that are secularly challenged, companies that the Adviser believes are fundamentally mispriced relative to estimates of future earnings and ETFs.
 - ii. Private Fund Portfolio Management: The Adviser provides investment advice to the Funds based on the investment objective of the Funds, and the Funds in-turn invest its assets into securities. The investment objective of the Funds is to achieve superior capital appreciation over a multi-year time horizon. The Funds employ a private equity style approach to the public markets. The Adviser seeks to make a select number of highly researched investments each year in companies that are capable of compounding earnings over a multi-year time horizon. The Funds will primarily focus on equities that the Adviser believes to be mispriced relative to future earnings and free cash flow. While the Funds will be long-biased, the Adviser will selectively take short positions (in the Funds, that allow for shorting) in companies that are secularly challenged, companies that the Adviser believes are fundamentally mispriced relative to estimates of future earnings and ETFs.

Investors in the onshore Funds are limited partners ("**Limited Partners**") and shareholders ("**Shareholders**") in the offshore fund. The General Partner solely responsible for the management of the onshore Funds is North Peak Capital GP, LLC. North Peak Capital GP, LLC is also the Managing Member of the SPVs. The Limited Partners and Shareholders of the Funds are not clients of Adviser; each prospective Limited Partner and Shareholder must confer with his or her own adviser to determine the suitability and appropriateness of an

investment in the Funds. This document is not an offer to sell or a solicitation of an offer to buy interests in the Funds. Such an investment is made only after receipt and review of the corresponding Fund Confidential Private Placement Memorandum or Confidential Explanatory Memorandum (the “**Memorandum**”). The Memorandum contains important information concerning risk factors and other material aspects of the corresponding Fund and it must be read carefully before making an investment decision. The information in this document is qualified in its entirety by, and should be read in conjunction with, the information contained in the Memorandum. A copy of the corresponding Memorandum is available upon request to the Adviser by persons who are “accredited investors” as defined under Regulation D of the Securities Act of 1933 or “qualified purchasers” under the Investment Company Act.

Investors in the SPVs are Members. The Members of the SPVs are not clients of the Adviser; each prospective Member must confer with his or her own adviser to determine the suitability and appropriateness of an investment in the SPVs. This document is not an offer to sell or a solicitation of an offer to buy interests in the SPVs. Such an investment may be made only after receipt and review of the corresponding SPV’s Limited Liability Company Agreement (the “**LLC Agreement**”). The LLC Agreement contains important information concerning risk factors and other material aspects of the corresponding SPVs and it must be read carefully before making an investment decision. The information in this document is qualified in its entirety by, and should be read in conjunction with, the information contained in the LLC Agreement. A copy of the corresponding LLC Agreement is available upon request to the Adviser by persons who are “accredited investors” as defined under Regulation D of the Securities Act of 1933.

The Adviser provides investment advice to the SPVs based on the investment objective of the specific vehicle. SPV’s investment objective is to generate capital appreciation through an investment in a publicly listed online food-delivery services company. SPV II’s investment objective is to generate capital appreciation through an investment in a publicly listed, US-based developer and manager of timeshare resorts. SPV III’s investment objective is to generate capital appreciation through an investment in a publicly listed, consumer fitness services company.

- C. The Adviser tailors its private fund portfolio management services to the Funds based on the investment objective of the Funds. The Adviser’s recommendations will allocate portions of the Funds’ assets to various asset classes classified according to historical and projected risks and rates of return. The Adviser does not provide tailored investment advice to the Limited Partners of the Funds, but the Funds may impose restrictions on investing in certain securities or types of securities so long as such restrictions may reasonably be implemented by Adviser.
- D. The Adviser does not participate in any wrap fee programs.
- E. The Adviser has the following amount of discretionary regulatory assets under management calculated as of December 31, 2023:
 - i. Discretionary: \$1,873,800,000

Item 5: Fees and Compensation

- A. The Adviser is compensated for its separately managed account portfolio management services with a management fee, a performance fee, or both a management fee and performance fee. Generally, a "high water mark" mechanism will be in place when a performance fee is being charged. Fees are negotiable, and each client's specific fee schedule will be included as part of the investment advisory agreement signed by Adviser and the client.

Adviser is compensated for its private fund portfolio management services by an annual management fee and performance allocation/fee (subject to a "high water mark").

North Peak Capital Partners, LP, North Peak Capital Partners II, LP and North Peak Capital Fund II, Ltd. pay to the Adviser, as of the end of each calendar quarter in arrears, a management fee (the "**Management Fee**") as follows:

- (i) with respect to each investor's Founders Interests/Shares, such investors are subject to a Management Fee at the rate of one-quarter (1/4) of 1.5% of the net asset value of each capital account attributable to such Founders Interests/Shares (including any interest in any side pocket investments);
- (ii) with respect to each investor's Class A Interests/Shares, such investors are subject to a Management Fee at the rate of one-quarter (1/4) of 2.0% of the net asset value of each capital account attributable to such Class A Interests/Shares (including any interest in any side pocket investments);
- (iii) with respect to each investor's Class B Interests/Shares, such investors are subject to a Management Fee at the rate of one-quarter (1/4) of 1.8% of the net asset value of each capital account attributable to such Class B Interests/Shares (including any interest in any side pocket investments);
- (iv) with respect to each investor's Class C Interests/Shares, such investors are subject to a Management Fee at the rate of one-quarter (1/4) of 1.5% of the net asset value of each capital account attributable to such Class C Interests/Shares (including any interest in any side pocket investments);
- (v) with respect to each investor's Class D Interests/Shares, such investors are subject to a Management Fee at the rate of one-quarter (1/4) of 2.0% of the net asset value of each capital account attributable to such Class D Interests/Shares (including any interest in any side pocket investments); and
- (vi) with respect to each investor's Class E Interests/Shares, such investors are subject to a Management Fee at the rate of one-quarter (1/4) of 1.5% of the net asset value of each capital account attributable to such Class E Interests/Shares (including any interest in any side pocket investments).

The General Partner is entitled to receive a performance-based allocation/fee at the end of each performance period as follows:

- (i) 17% of the net profits attributable to investors with respect to their Founders Interests/Shares;
- (ii) 20% of the net profits attributable to investors with respect to their Class A Interests/Shares;

- (iii) 18% of the net profits attributable to investors with respect to their Class B Interests/Shares;
- (iv) 15% of the net profits attributable to investors with respect to their Class C Interests/Shares.
- (v) 20% of the net profits attributable to investors with respect to their Class D Interests/Shares; and
- (iv) 17% of the net profits attributable to investors with respect to their Class E Interests/Shares.

With regards to Peak Capital Partners, LP, Peak Capital Partners II, LP and North Peak Capital Fund II, Ltd., the Adviser and the General Partner are each committed to donate 50% of each of the net Management Fees and net Performance Allocation/Fee (in each case, net of any fees or expenses (including without limitation, salaries, fees and expenses of employees and/or consultants retained to advise and assist with respect to implementing the Charity Program) incurred in connection with the Charity Program or other amounts payable to third parties as a result of contractual obligations, including without limitation, third party marketers), respectively, that each of the Adviser and the General Partner is entitled to receive with respect to certain classes, to one or more charities (the **"Charity Program"**). To effectuate the Charity Program, the Funds will issue additional classes of Interests/Shares that mirror the current classes of Interests/Shares designated as: "Class A1 Interests/Shares," "Class B1 Interests/Shares," "Class C1 Interests/Shares," "Class D1 Interests/Shares," "Class E1 Interests/Shares" and "Founders 1 Interests/Shares" (collectively, the **"Charitable Class Interests"** and the Interests that are not Charitable Class Interests are referred to as **"Standard Class Interests"**). The Adviser and the General Partner will make any such donations with respect to 50% of the net Management Fees and net Performance Allocations/Fees applicable to the Charitable Class Interests/Shares. Notwithstanding any of the foregoing, the Adviser and the General Partner has implemented and may continue to implement the Charity Program by waiving 50% of the net Management Fees and net Performance Allocation/Fee respectively, that each of the Adviser and the General Partner is entitled to receive with respect to an investor that is itself a charity that the General Partner and the Adviser would otherwise have donated to. The Charity Program is the only difference between a Charitable Class of Interests/Shares and a Standard Class of Interests/Shares denoted by the same letter. Upon subscription, other than with respect to Management Interests, an investor will be issued the Charitable Class Interests/Shares of the class subscribed. The Adviser/General Partner shall have the sole, unilateral right to designate and/or re-designate all or any portion of any investor's class of Interests as Charitable Class Interests/Shares or Standard Class Interests/Shares of the same class, provided that Charitable Class Interests/Shares will only be re-designated as Standard Class Interests/Shares to the extent that there have been withdrawals from the Funds by any investor at any time, and only in an amount equal to such withdrawals. With respect to any designation and/or re-designation, the Adviser/General Partner will not consult with, get consent from and/or notify any investor as to any such designation, re-designation and/or status generally of its class(es) of Interests/Shares. Any re-designation as a result of withdrawals may be made to the Interests/Shares held by any one or more investors in the Adviser's/General Partner's sole discretion. Any such designation and/or re-designation will not have any impact on the investor holding such class(es) of Interests/Shares.

North Peak Capital Ultra Fund, LP, pays to the Adviser, as of the end of each calendar quarter in arrears, a management fee as follows:

(i) with respect to each investor's Class D Interests, such investors are subject to a Management Fee at the rate of one-quarter (1/4) of 2.0% of the net asset value of each capital account attributable to such Class D Interests; and

(ii) with respect to each investor's Class E Interests, such investors are subject to a Management Fee at the rate of one-quarter (1/4) of 1.5% of the net asset value of each capital account attributable to such Class E Interests.

The General Partner is entitled to receive a performance-based allocation at the end of each performance period as follows:

- (i) 20% of the net profits attributable to investors with respect to their Class D Interests; and
- (ii) 17% of the net profits attributable to investors with respect to their Class E Interests.

North Peak Capital Alpha Fund, LP, pays to the Adviser, as of the end of each calendar quarter in arrears, a management fee and the General Partner is entitled to receive a performance-based allocation at the end of each performance period.

The SPVs do not pay the Adviser an annual Management Fee. The Managing Member is entitled to receive a performance-based allocation at the end of each performance period of 10% (subject to a "high water mark").

The Adviser and General Partner, at their sole discretion, may waive or reduce the management fee or performance allocation/fee in whole or part, for any investor.

- B. In addition to the fees charged by Adviser, separately managed account clients will incur brokerage and other transaction costs. Please refer to *Item 5C* and to *Item 12: Brokerage Practices* for further information on such brokerage and other transaction costs. Clients will also typically incur additional charges related to the safekeeping and custody of client assets and other product-specific expenses. These additional charges are separate and apart from the fees charged by Adviser.
- C. The Funds and the SPVs shall pay for all ordinary operating and other expenses, including, but not limited to: investment-related expenses (such as expenses associated with outsourced trading (including but not limited to trade execution and portfolio monitoring services); brokerage commissions; clearing and settlement charges; custodial fees; interest expenses; expenses relating to consultants (including, without limitation, expert networks, research consultants and other research providers); due diligence with respect to investments and potential investments (including, without limitation, investment related travel expenses); brokers or other professionals or advisors who provide research, advice or due diligence services (with regard to investments, appraisal fees and expenses and investment banking expenses); research costs and expenses (including fees for news, quotation and similar information and pricing services); legal expenses (including, without limitation, the costs of on-going legal advice and services, and extraordinary legal expenses); fees associated with order management system and portfolio accounting system licenses and support; regulatory filings arising from the General Partner's or the Adviser's provision of services to or on behalf of the Funds (including, without limitation, blue sky filings, Form PF, and all costs and expenses relating to filings, registrations and service providers required with respect to placing

Interests in any jurisdiction, whether such costs or expenses are the obligation of the Funds or the Adviser (such as AIFMD and/or any other applicable regulation or directive)); insurance premiums and other costs and expenses of insurance policies as the General Partner/Adviser considers appropriate, including insuring the Funds, the General Partner, the Adviser and their affiliates against liabilities that may arise in connection with the business or management of the Funds (including, without limitation, errors and omissions policies, and directors and officers policies); the Management Fee; accounting fees and audit expenses; administrative fees; tax preparation expenses and any applicable tax liabilities (including transfer taxes and withholding taxes); other governmental charges or fees payable by the Funds; costs of printing and mailing reports and notices; all fees and other expenses incurred in connection with the investigation, prosecution or defense of any claims by or against the Funds; interest on, and fees and expenses arising out of, all borrowings made by the Funds; expenses of any meetings of the investors; and other similar expenses related to the Funds, as the General Partner or Adviser determines in its sole discretion. The General Partner or Adviser may elect to pay any of the foregoing expenses from the General Partner's or Adviser's own resources for any period, in the sole discretion of the General Partner or Adviser, as applicable.

- D. In the event of a withdrawal or other termination of an investor's interest in any of the Funds, any unpaid management fee and performance allocation/fee will be assessed in accordance with the Memorandum and through the effective withdrawal date (or termination date) applicable to such Limited Partner or Shareholder.

The Funds have varying "Lock-Up Periods" which is the time period from the date a Limited Partner or Shareholder's capital account is established that a Limited Partner or Shareholder will generally be permitted to make withdrawals of capital (except to the extent of its interest in any unrealized side pocket investments).

Limited Partners and Shareholders are permitted to make withdrawals of capital on the last business day of each calendar (a) quarter (with respect to Founders Interests/Shares, Class B Interests/Shares, Class C Interests/Shares, Class D Interests/Shares, Class E Interests/Shares and Management Interests/Shares) and (b) month (with respect to Class A Interests/Shares) (each a "**Withdrawal Date**") as follows: (i) withdrawals with respect to Founders Interests/Shares must be provided, in writing, at least forty-five (45) days' prior to the intended Withdrawal Date, (ii) withdrawals with respect to Class A Interests/Shares must be provided, in writing, at least thirty (30) days' prior to the intended Withdrawal Date and (iii) withdrawals with respect to Class B Interests/Shares, Class C Interests/Shares, Class D Interests/Shares, Class E Interests/Shares and/or Management Interests/Shares must be provided, in writing, at least sixty (60) days' prior to the intended Withdrawal Date.

Limited Partners and Shareholders may not make withdrawals of all or any part of their capital account balances attributable to their Class C Interests/Shares and Class E Interests/Shares until after the thirty-six (36) month period following the date on which each such Class C Interests/Shares or Class E Interests/Shares were purchased. Notwithstanding the foregoing, investors who withdraw all or any part of their capital attributable to (i) Founders Interests/Shares, Class B Interests/Shares or Class D Interests/Shares prior to the expiration of the twelve (12) month period following the date on which each such Founders Interests/Shares, Class B Interests/Shares or such Class D Interests/Shares were purchased, will pay a 3% early withdrawal fee to the Funds based on the withdrawal proceeds, unless otherwise agreed to by the General Partner or the Adviser.

The General Partner and Adviser may, in their sole discretion, waive the Lock-up Periods, in whole or in part, with respect to any Limited Partner or Shareholder.

An investor in the SPVs will be permitted to make a complete or a partial withdrawal from its capital account with respect to its capital contribution maintained with respect to such Investor (a "**Withdrawal**") as of the close of business on the last day of each calendar quarter, with at least 30 days' notice, or at such other time as determined by the General Partner in its sole discretion (each, a "**SPV Withdrawal Date**"). Notwithstanding the foregoing, an Investor may not make a partial or complete withdrawal from any capital account established in respect of any investment made by that Investor (i) at any time prior to the expiration of the two (2)-year period following the establishment of that capital account (the "Initial Lock-up Period"), or (ii) during any of the three (3) successive one (1)-year periods occurring immediately after the expiration of the Initial Lock-up Period (the Initial Lock-up Period and each such successive one (1)-year period each being a "Calculation Period," and the Initial Lock-up Period and each subsequent Calculation Period that results in that Investor being prohibited from withdrawing amounts from its capital account each being a "Lock-up Period") that is preceded by a Calculation Period in which the net asset value of the Investor's Fund Interest attributable to that capital account has increased by ten percent (10%) or more, compounded annually and measured (A) as an annualized rate of return, and (B) with respect to the initial Calculation Period (i.e., the Initial Lock-up Period), from the beginning of such period to the expiration of such period, and with respect to any subsequent Calculation Period, from the first day following the end of the preceding Calculation Period (whether the Initial Lock-up Period or any subsequent Calculation Period) to the end of such Calculation Period (the "**Return Threshold**"); in the case of each of the foregoing clauses (i) and (ii), unless otherwise waived or reduced in the General Partner's sole discretion.

The General Partner may, in their sole discretion, waive the Lock-up Period, in whole or in part, with respect to any Member.

SMA client liquidity is negotiable, and each client's liquidity provisions will be included as part of the investment advisory agreement signed by Adviser and the client.

- E. Neither Adviser nor any of its supervised persons accepts compensation for the sale of securities or other investment products.

Item 6: Performance-Based Fees & Side-By-Side Management

The General Partner receives a performance-based fee from qualified clients in the form of the performance allocation/fee described in Item 5, above. The performance allocations/fees are only assessed against the accounts of Limited Partners, Shareholders, Members and separately managed account clients who are "qualified clients" as such term is defined by Rule 205-3 under the Investment Advisers Act of 1940.

Performance-based compensation arrangements create a conflict of interest as they create an incentive for the adviser to recommend investments that carry a higher degree of risk to the client. Adviser mitigates this conflict of interest by selecting investments that it believes to be appropriate for the Funds, SPVs and SMA, in accordance with the corresponding Funds, SPVs and SMA investment objective. Furthermore, the investment strategy for separately managed account clients may be distinct from the investment strategy for the Funds.

Item 7: Types of Clients

Adviser generally provides its private fund portfolio management services exclusively to the Funds and SPVs and provides its separately managed account portfolio management services to pension plans and non for profits. Generally, the minimum account value required to invest in the Funds is \$500,000 and SPVs \$250,000.

Item 8: Methods of Analysis, Investment Strategies & Risk of Loss

- A. The investment strategies used by the Adviser when formulating investment advice or managing assets for separately managed account clients include concentrated long-only positions in a publicly-traded equity security or securities designed to capture long-term value. The investment strategies used by the Adviser when formulating investment advice or managing assets for the Funds include a private equity style approach to public markets as further described in Item 4, above. Investing in securities involves risk of loss that clients should be prepared to bear. Past performance does not guarantee future returns.
- B. Like any investment strategy, the strategies utilized by the Adviser involve material risks. Such material risks are described in further detail below:
 - i. There can be no assurance that the Funds, SMA or the SPVs will achieve their investment objective or avoid substantial losses. A Limited Partner/Shareholder, SMA client or Member could lose all or a substantial amount of his or her investment. Notwithstanding the method of analysis or investment strategy employed by the Adviser, the assets of the Funds, the SMA and SPVs are subject to risk of devaluation or loss. An investor should not make an investment in any of the Funds, SMA or SPVs with the expectation of sheltering income or receiving cash distributions. The Adviser believes that substantial returns can be achieved by investing in the Funds, SMA or SPVs; however, such investment involves a high degree of risk. Adviser urges investors to review carefully the risk factors set forth in the corresponding Memorandum, investment advisory agreement and LLC Agreement. The Memorandum, investment advisory agreement and LLC Agreement contains important information concerning risk factors and other material aspects of the Funds, SMA and SPVs and should be read carefully before any investor decides to invest in any of the Funds, SMA or SPVs. The risk factors set forth in the Memorandum, the investment advisory agreement and LLC Agreement are those deemed by Adviser to be the most significant.
 - ii. In addition to the risk factors listed in the Memorandum and LLC Agreement, a prospective Limited Partner, Shareholder, Member or separately managed account client should carefully consider the following risks prior to making an investment in any of the Funds, SPVs or separately managed account:
 - a. General Investment Risks. The corresponding Funds, SMA or SPVs success depend upon the Adviser's ability to implement its investment strategy. Any factor that would make it more difficult to execute timely trades may also be detrimental to the Funds, SMA's, SPV's or strategy's profitability.
 - b. Dependence on Key Personnel. The Adviser is dependent on the services of Jeremy and Michael Kahan, and there can be no assurance that the Adviser will be able to

retain Jeremy or Michael Kahan. The departure or incapacity of either Jeremy Kahan or Michael Kahan could have a material adverse effect on the Adviser's management of the investment operations of the Funds, SPVs or a separately managed account.

- c. Investment and Trading Risks. All investments involve the risk of a loss of capital. The Adviser believes that its investment program and its research and risk-management techniques moderate this risk through the careful selection of securities and other financial instruments. No guarantee or representation is made that any of the Funds, SMA, SPVs or strategy investment programs will be successful, and investment results may vary substantially over time.
- d. Risks Relating to Markets. The value of those securities in which the Funds, SMA or SPVs invests and that are traded on exchanges or over-the counter and the risks associated therewith vary in response to events that affect such markets and that are beyond the control of the Funds, SMA, SPVs and Adviser. Market disruptions such as those that occurred during October of 1987 and on September 11, 2001 and following the systemic loss of confidence during the recent financial crisis of 2008 and 2009, could have a material effect on general economic conditions, market volatility, and market liquidity which could result in substantial losses to the Funds, SMA, SPVs or a strategy.
- e. Inflation Risk. The rate of inflation has increased meaningfully as compared to recent years and it is currently expected that it may remain high or elevated in the future, especially given the recent market turmoil as a result of the crises in the financial services industry. Inflation and rapid fluctuations have in the past had and are currently having negative effects on economies and financial markets. For example, wages and prices of inputs increase during periods of inflation, which can negatively impact returns on investments. In an attempt to stabilize inflation, governments may impose wage and price controls or otherwise intervene in the economy. Governmental efforts to curb inflation often have negative effects on the level of economic activity. If inflation were to continue at the current level or rise at rates higher than those anticipated in underwriting the Funds, SMA or SPVs investments, the effective rate of return on such investments may be reduced. For example, there may be instances where certain revenues related to such investments may be fixed by contract for meaningful periods of time whereas related expenses and interest costs may not be. As a result, the recent rise in the rate of inflation (and any additional increase in such rate of inflation) could have a material and adverse impact on the Funds, SMA, SPVs and their investments.
- f. Interest Rate Risks. Interest rate risk refers to the risks associated with market changes in interest rates. Interest rate changes have recently affected and may continue to affect the value of debt investments indirectly (especially where there is a fixed interest rate) and directly (especially where there is an adjustable interest rate). Rising interest rates have recently negatively impacted, and to the extent of additional increases in such rates will continue to negatively impact, the price of fixed rate debt instruments. To the extent interest rates fall in the future, such falling interest rates are generally expected to have a positive effect on price.

Adjustable rate instruments also react to interest rate changes in a similar manner, typically to a lesser degree. Interest rate sensitivity is generally more pronounced and less predictable in instruments with uncertain payment or prepayment schedules. In addition, recent interest rate increases have, and any additional future interest rate increases generally will, result in financing for property purchases and improvements being more costly and difficult to obtain. Further, increases in interest rates after an investment has been acquired by the Funds, SMA or SPVs may negatively impact the valuation of such investment.

g. Short Selling. The Adviser makes short sales or utilizes short selling on behalf of its clients. In a short sale, the seller sells a security that it does not own, typically a security borrowed from a broker or other counterparty. Because the seller remains liable to return the underlying security that it borrowed from the broker or counterparty, the seller must purchase the security prior to the date on which delivery to the broker or dealer is required. The making of short sales exposes clients to the risk of liability for the market value of the security that is sold, which is an unlimited risk in theory due to the lack of an upper limit on the price to which a security may rise. In addition, there can be no assurance that securities necessary to cover a short position will be available for purchase or that securities will be available for clients to borrow at reasonable costs. If a request for a return of borrowed securities occurs at a time when other short sellers of the security are receiving similar requests, a "short squeeze" can occur, in which case a client or account may be compelled to replace borrowed securities previously sold short with purchases on the open market at the most disadvantageous time, possibly at prices significantly in excess of the proceeds received in originally selling the securities short. A significant "short squeeze" event occurred in January 2021 with respect to the securities of GameStop Corp (GME), where retail investors utilized Robinhood and other popular commission-free trading platforms and social media platforms to execute a "short squeeze" strategy aimed at destroying the short sale efforts of prominent hedge funds and other institutional investors who were attempting to profit from the demise of GameStop stock. The efforts of these retail investors pushed the price of GameStop stock to record levels in a very short period of time, and many hedge funds and other investors lost billions of dollars as they were forced to close out their short positions on GameStop stock in connection with the short squeeze. This situation is likely to reoccur in the future, as social media and popular commission free trading platforms have made it easier for a large number of retail investors to band together and cause disruptions in the trading strategies of hedge funds and other institutional investors. The recent controversy relating to GameStop may lead to SEC scrutiny and greater regulation of such strategies. The SEC has in the past adopted interim rules requiring reporting of all short positions above a certain de minimis threshold and may adopt or enact additional rules requiring public disclosure of short positions in the future. In addition, other non-U.S. jurisdictions where a client trades have adopted or may adopt reporting requirements. If a client's short positions or its strategy become generally known, it could have a material or significant effect on the Adviser's ability to implement or effect its investment strategies. In particular, it would make it more likely that other investors could cause or lead the Adviser into a "short squeeze" in the securities held short by a client, forcing the Adviser or the client to

cover its positions at a loss. Such reporting requirements likely would also limit the Adviser's ability to access management and other personnel at certain issuers where the Adviser seeks to take or establish a short position. In addition, if other investors engage in copycat behavior by taking positions in the same issuers as the Adviser's clients, the cost of borrowing securities to sell short could increase significantly and the availability of such securities to the Adviser's clients could decrease significantly. The SEC has adopted various restrictions or limitations on the short sale of securities which fall more than 10% in a given day (referred to as the "circuit breaker" or "modified uptick rule"). The SEC and regulatory authorities in other jurisdictions could adopt (and in certain cases have adopted) bans or restrictions or limitations on short sales of certain securities or short sales with respect to certain issuers in response to significant market events. Restrictions, limits or bans on short selling would make it more difficult for the Adviser's clients or the Adviser to execute or effect certain investment strategies and may have a material adverse effect on the Adviser's clients' ability to achieve their investment objectives and generate returns.

- h. Equity Securities. The value of the equity securities held by the Funds, SMA, SPVs or as part of a strategy are subject to market risk, including changes in economic conditions, growth rates, profits, interest rates and the market's perception of these securities. While offering greater potential for long-term growth, equity securities are more volatile and riskier than some other forms of investment.
- i. Small- and Medium-Capitalization Stocks. The Funds, SMA and SPVs invest some of its assets in stocks of companies with smaller market capitalizations. Small- and medium-capitalization companies may be of a less seasoned nature or have securities that may be traded in the over-the-counter market. These "secondary" securities often involve significantly greater risks than the securities of larger, better-known companies. In addition to being subject to the general market risk that stock prices may decline over short or even extended periods, such companies may not be well-known to the investing public, may not have significant institutional ownership and may have cyclical, static or only moderate growth prospects. Additionally, stocks of such companies may be more volatile in price and have lower trading volumes than larger capitalized companies, which results in greater sensitivity of the market price to individual transactions. Accordingly, investors in any of the Funds, SMA, SPVs or a strategy should have a long-term investment horizon.
- j. Exchange Traded Funds. The Funds invest in a type of Investment Company called an Exchange-Traded Fund ("**ETF**"). ETFs are a type of investment security, representing an interest in a passively managed portfolio of securities selected to replicate a securities index, such as the S&P 500 Index or the Dow Jones Industrial Average, or to represent exposure to a particular industry or sector. Unlike open-end mutual funds, the shares of ETFs and closed-end investment companies are not purchased and redeemed by investors directly with a fund, but instead are purchased and sold through broker-dealers in transactions on a stock exchange. Because ETF and closed-end fund shares are traded on an exchange, they may trade at a discount from or a premium to the net asset value per share of the

underlying portfolio of securities. As a relatively new type of security, the trading characteristics of ETFs may not yet be fully developed or understood by potential investors. In addition to bearing the risks related to investments in equity securities, investors in ETFs intended to replicate a securities index bear the risk that the ETF's performance may not correctly replicate the performance of the index. Investors in ETFs, closed-end funds and other investment companies bear a proportionate share of the expenses of those funds, including management fees, custodial and accounting costs, and other expenses. Trading in ETF and closed-end fund shares also entails payment of brokerage commissions and other transaction costs.

- k. New Issues. The Funds may invest in "New Issues" as that term is defined in Financial Industry Regulatory Authority, Inc. ("**FINRA**") Rule 5130. Such investments offer the opportunity for significant appreciation; however, they are speculative and involve a high degree of risk. It is characteristic of the initial public offerings market that certain companies may be extremely successful, while a much higher percentage of new public companies fail. Thus, the risk of investing in initial public offerings is substantially greater than investing in the stock market as a whole. Certain "restricted" investors may be precluded from participating, in whole or in part, in a Funds' investments in new issues, subject to the "de minimis" exception under the FINRA new issue rules. To the extent that an investor is "restricted," an investment in the Funds may not yield the performance results that may be achieved by those investors that are entitled to receive allocations with respect to new issues.
- l. Option Transactions. The purchase or sale of an option by the Funds or SMA involves the payment or receipt of a premium payment and the corresponding right or obligation, as the case may be, to either purchase or sell the underlying investment for a specific price at a certain time or during a certain period. Purchasing options involves the risk that the underlying investment does not change in price in the manner expected, so that the option expires worthless, and the investor loses its premium. Although selling options (without owning the underlying security) involves significant potential risks, Adviser does not intend to sell uncovered call options.
- m. Highly Volatile Instruments. The prices of financial instruments in which any of the Funds, SMA, SPVs or strategies invest can be highly volatile. Price movements of the securities and derivative contracts in which the assets are invested in are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The Funds, SMA, and SPVs strategies are subject to the risk of failure of any of the exchanges on which its positions trade or of their clearinghouses.
- n. Leverage and Margin. In order to raise additional cash for investment, the some of the Funds and the SMA may borrow money from brokers in the form of portfolio margin and will pay interest thereon. Any investment gains made with the additional monies in excess of interest paid will cause the net asset value of the

corresponding Funds to rise faster than would otherwise be the case. On the other hand, if the investment performance of the additional investments purchased fails to cover their cost (including any interest paid on the money borrowed) to the corresponding Funds, the net asset value of the corresponding Funds will decrease faster than would otherwise be the case. This is the speculative factor known as "leverage." The amount of money the corresponding Funds or SMA borrows is limited by applicable margin limitations imposed by regulations adopted by the Federal Reserve Board. The Funds and SMA may also purchase portfolio investments in uncovered margin transactions. In the event of adverse market movements or other factors, the Funds or SMA may have to meet calls for substantial additional margin which limits the corresponding Funds' assets available for other investments at an inopportune time. In addition, a change in the general level of interest rates may adversely affect the Funds or SMA.

o. Industry Concentration. Because of their narrow focus, the performance of the Funds and separately managed account are tied closely to and affected by the sectors in which they invest. As is the case with other industries, or groups of closely related industries, certain companies often face obstacles, issues, or regulatory burdens. Consequently, such securities may react similarly and move in unison to changes in these or other market conditions. Moreover, because the Funds and separately managed accounts' investments may be concentrated in specific industries, the value of the Funds or separately managed accounts may be subject to greater volatility than funds and accounts with portfolios that are less concentrated. If such securities fall out of favor, the Funds or separately managed accounts could under-perform funds that focus on other types of securities.

p. Counterparty Risks. We enter into many transactions with third parties (i.e., borrowers, custodians, prime brokers, etc.) in which the failure or delay of the third party to perform its obligations under a contract with the Funds, SMA or SPVs could have a material adverse effect on such Funds, SMA or SPVs. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a counterparty, it is impossible to generalize about the effect of a counterparty's insolvency on us, our clients' and their assets. Changing circumstances and market conditions, generally beyond our control, could impair our ability to access our existing cash, cash equivalents or investments. Investors should assume that the insolvency of any of our financial institutions, prime brokers or other counterparties would result in the loss of all or a substantial portion of our clients' assets held by such financial institution, prime broker or counterparty. Although the Funds, SMA and SPVs are not a borrower or party to any financial instruments with SVB, Signature Bank or any other financial institution currently in receivership, if any of the Funds', SMA's or SPVs' financial institutions or counterparties were to be placed into receivership, there is no guarantee that the Department of the Treasury, the Federal Reserve or the FDIC will intercede to provide the Funds, SMA, or SPVs or other depositors with access to balances in excess of the \$250,000 FDIC insurance limit, that the Funds, SMA or SPVs would be able to access their existing cash, cash equivalents or investments, or that the Funds, SMA or SPVs would be able to adequately fund investments, any of which could have a material adverse effect on the Funds, SMA, SPVs and/or the

investors. Any losses would be borne by the investors. In addition, if any of our counterparties are unable to access funds pursuant to such instruments or lending arrangements with such a financial institution, such parties' ability to pay their obligations to us or to enter into new commercial arrangements requiring additional payments to us could be adversely affected. In this regard, counterparties to credit agreements and arrangements with banks in receivership, and third parties such as beneficiaries of letters of credit (among others), may experience direct impacts from the closure of such financial institutions and uncertainty remains over liquidity concerns in the broader financial services industry.

- q. OTC Transactions. The Funds are likely to engage in transactions involving securities traded on OTC markets. In general, there is less governmental regulation and supervision in the OTC markets than of transactions entered into on an organized exchange. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, will not be available in connection with OTC transactions. This exposes the Funds to the risks that a counterparty will not settle a transaction because of a credit or liquidity problem or because of disputes over the terms of the transaction. Therefore, to the extent that the Funds engage in trading on OTC markets, the Funds could be exposed to greater risk of loss through default than if they confined their trading to regulated exchanges.
- r. Disruption in the Financial Services Industry. Our ability to make investments, secure funding and engage in other transactions could be adversely affected by the actions and stability of other financial institutions. Financial services institutions are interrelated as a result of trading, clearing, counterparty and other relationships. As a result, defaults by, or even rumors or questions about, one of more financial service institutions, or the industry generally, have historically led to market-wide liquidity problems. Losses of depositor, creditor and counterparty confidence and could lead to losses or defaults by the Funds, SMA, SPVs or other institutions. In response to the bank failures at Silicon Valley Bank ("SVB") and Signature Bank and the resulting market reaction, the Secretary of the Treasury, the Federal Reserve and the Federal Deposit Insurance Corporation (the "FDIC") indicated that all depositors of SVB and Signature Bank would have access to all deposits by utilizing the Deposit Insurance Fund, including bridge banks to assume all of the deposit obligations of the failed banks, while leaving unsecured lenders and equity holders of such institutions exposed to such losses. The Federal Reserve also created the Bank Term Funding Program to ensure banks have the ability to meet the needs of their depositors. There is no guarantee that the Department of Treasury, FDIC and the Federal Reserve will provide access to uninsured funds in the future in the event of the closure of other financial institutions (or do so in a timely fashion) and it is uncertain whether these steps by the government will be sufficient to calm the financial markets, reduce the risk of significant depositor withdrawals at other institutions and thereby reduce the risk of additional bank failures.

- s. Private Fund Adviser Rules. On August 23, 2023, the SEC adopted new rules and rule amendments under the Advisers Act that significantly impact and affect private fund advisers, including those registered with the SEC and those exempt from registration (the "Private Fund Adviser Rules"). The Private Fund Adviser Rules provide for (i) increased transparency with respect to fee and expense disclosure and financial performance disclosures, (ii) mandatory annual audits of private funds and guidance on reporting standards and record-keeping requirements, (iii) new requirements with respect to certain adviser-led secondary transactions, including requirements to obtain third-party fairness opinions in connection with such transactions, and (iv) prohibitions and restrictions on certain practices and activities of private fund advisers with respect to private funds managed thereby, including, but not limited to, exculpation, standard of care and indemnification provisions relating to private fund advisers, charging fees or expenses related to a portfolio investment on a non-pro rata basis, borrowing from a private fund and certain types of preferential treatment of particular investors. The new Private Fund Adviser Rules will generally increase the costs of compliance for private funds and private fund advisers, including the Funds, SMA and SPVs and require significant amendments and revisions to the Funds, SMA and SPVs agreements.
- t. Public Health Risk. The Funds, SMA and SPVs and their respective affiliates and service providers could be adversely affected by the effects of a widespread outbreak of contagious disease, such as the novel coronavirus ("COVID-19") pandemic. Public health crises can develop rapidly and unpredictably, which may prevent governments, asset managers, companies or others (including the Funds, SMA, SPVs or their investments) from taking timely or effective steps to mitigate or reduce any adverse impacts to the Funds, SMA, SPVs and their investments. The extent and duration of any such impacts will depend on future developments, which are highly uncertain and cannot be predicted at this time.

Any outbreak of contagious diseases and other adverse public health developments, together with any resulting disruptions or restrictions on travel, quarantines or "stay-at-home" orders, social distancing policies and/or quarantines imposed or recommended by governments and private parties in the jurisdictions where the Funds, SMA, SPVs or their investments are based (together, the "Isolation Measures"), could have a material and adverse effect on the Funds, SMA, SPVs and their investments, including by disrupting or otherwise adversely affecting the human capital, business operations or financial resources of the Funds, SMA, SPVs their investments or their respective service providers (which could, in turn, adversely impact the ability of such service providers to fully support the administration and operations of the Funds, SMA, SPVs or their investments).

In addition, a significant outbreak of contagious diseases in the human population, and any containment or other remedial measures imposed (including Isolation Measures), may result in a widespread health crisis that could severely disrupt global, national and/or regional economies and financial markets and cause an economic downturn that could adversely affect the performance of the Funds, SMA, SPVs and/or their investments. Although the long-term economic fallout of the COVID-19 pandemic is difficult to predict, it is likely to continue to contribute

to market volatility and lead to an economic slowdown given the disruption to supply chains across sectors and industries worldwide, which may reduce investment activity more generally and materially and adversely affect the Funds, SMA, SPVs and/or their investments. To the extent an epidemic or pandemic, including COVID-19, is present in jurisdictions in which we have offices or other operations or investments, it could affect the ability of us and our affiliates to operate effectively, including the ability of personnel to function, communicate and travel to the extent necessary to carry out the investment strategies and objectives of the Funds, SMA, and SPVs.

The performance of the Funds, SMA, and SPVs may also be affected by particular issues affecting companies, regions or sectors of their investments. The extent of any such impacts will depend on future developments, which are highly uncertain and cannot be predicted at this time. There are no comparable recent events in the United States or globally that provide guidance as to the effect of the spread of a pandemic such as COVID-19 on the economy as a whole and the specific sectors in which the Funds, SMA or SPVs may invest. Prospective investors should note that any information provided regarding the most recent valuations of an investment, including our historical investments and assets under management, was determined and relates to periods after the widespread outbreak of COVID-19. Given the levels of uncertainty, economic and financial market disruptions and volatility in connection with the outbreak, it is possible recent valuations and/or current or prior performance of prior Funds, SMA, SPVs and their investments could be adversely impacted for current and future periods (at least in the short term).

u. Terrorist Attacks, War and Natural Disasters. Terrorist activities, anti-terrorist efforts, armed conflicts involving the United States or its interests abroad and natural disasters may adversely affect the United States, its financial markets and global economies and markets and could prevent the Adviser, from meeting its respective investment objectives and other obligations. The potential for future terrorist attacks, the national and international response to terrorist attacks, acts of war or hostility and natural disasters have created many economic and political uncertainties in the past and may do so in the future, which may adversely affect the United States and world financial markets for the short or long-term in ways that cannot presently be predicted.

v. Ukraine-Russia War. In February 2022, an armed conflict escalated between Russia and Ukraine and Russia invaded Ukraine. In response to such invasion, the United States, the European Union and many other countries and organizations have announced various sanctions against Russia and various Russian persons and companies. The sanctions announced by the U.S. and other countries to date include restrictions on selling or importing goods, services, or technology in or from affected regions and travel bans and asset freezes impacting connected individuals and political, military, business and financial organizations in Russia. The United States and other countries could impose wider sanctions and take other actions should the conflict further escalate. It is not possible to predict the broader consequences of this conflict, which could include further sanctions, embargoes,

regional instability, geopolitical shifts and adverse effects on macroeconomic conditions, currency exchange rates and financial markets.

While this information provides a synopsis of the events that may affect a Limited Partner's/Shareholder's/Member's/Client's investment in the Funds, SMA or SPVs, this listing is not exhaustive. Limited Partners/Shareholders, Members and SMA clients should read the Risk Factors section in the corresponding Memorandum, LLC Agreement, or investment advisory agreement carefully.

A LIMITED PARTNER, SHAREHOLDER, MEMBER OR CLIENT MAY LOSE ALL OR A SUBSTANTIAL AMOUNT OF ITS INVESTMENT IN THE FUNDS, THE SPVS OR AN SMA.

An investment in any of the Funds, SMA or the SPVs should form only a part of a complete investment program, and an investor must be able to bear the loss of his or her entire investment. Prospective investors are urged to consult with their own financial, tax and legal advisors before investing.

Item 9: Disciplinary Information

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

Item 10: Other Financial Industry Activities & Affiliations

- A. Neither the Adviser nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither the Adviser nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

As described in Item 4 above, the General Partner of the onshore Funds and the Managing Member of the SPVs are under common control with the Adviser and are principally owned by Jeremy and Michael Kahan. This has the potential to create a conflict of interest to the extent the Adviser may be incentivized to favor one fund client over another. The Adviser addresses this conflict of interest by treating all clients equitably, and at all times placing the interests of clients ahead of the Adviser's own interests.

- C. The Adviser has and may in the future establish and operate additional investment funds or enter into other investment advisory relationships with other clients (including clients who are also investors in the Funds), and such other funds or clients may be allocated all or part of investment opportunities that would also be appropriate for the Funds. The Adviser and its affiliates may have differing financial interests, direct or indirect, in the performance of the Funds, SMA, SPVs and other clients. As a result, and as mentioned above, the Adviser may have an incentive to favor other funds or clients with regard to the allocation of opportunities or participation in particular investments and with regard to the terms of any transactions among funds or clients.

Item 11: Code of Ethics, Participation or Interest in Client Transactions & Personal Trading

- A. The Adviser has adopted a Code of Ethics that will be provided to any client or prospective client upon request. The Adviser's Code of Ethics describes the standards of business conduct that the Adviser requires of its supervised persons, which is reflective of the Adviser's fiduciary obligations to act in the best interests of its clients. The Code of Ethics also includes sections related to compliance with securities laws, reporting of personal securities transactions and holdings, reporting of violations of the Code of Ethics to the Adviser's Chief Compliance Officer, pre-approval of certain investments by access persons, and the distribution of the Code of Ethics and any amendments to all supervised persons followed by a written acknowledgement of their receipt. As a policy, employees of the Adviser will not be permitted to purchase or sell any individual equity securities, equity options, equity warrants, convertible bonds, derivative thereof or any ETF that has a concentration of greater than 30% in one security. This restriction covers the Adviser's employee-owned accounts and accounts over which they exercise investment discretion such as accounts for a spouse or their children.
- B. Michael Kahan is on the Board of Directors of a non-investment related business independent of the Adviser, for which he serves as an engaged Board Member and Jeremy Kahan on the Board of Directors of a 501(c)3 nonprofit independent of the Adviser, for which he serves as an engaged Board Member.
- C. As described in Item 4 and 10 above, the General Partner/Managing Member of the Funds and the SPVs is under common control with the Adviser and is principally owned by Jeremy and Michael Kahan. This has the potential to create a conflict of interest to the extent the Adviser may be incentivized to favor one fund client over another. The Adviser addresses this conflict of interest by treating all clients equitably, and at all times placing the interests of clients ahead of the Adviser's own interests.

Item 12: Brokerage Practices

- A. The Adviser considers several factors when recommending a custodial broker-dealer for client transactions and determining the reasonableness of such custodial broker-dealer's compensation. Such factors include the custodial broker-dealer's industry reputation and financial stability, service quality and responsiveness, execution price, speed and accuracy, reporting abilities, and general expertise. Assessing these factors as a whole allows the Adviser to fulfill its duty to seek best execution for its clients' securities transactions. However, the Adviser does not guarantee that the custodial broker-dealer recommended for client transactions will necessarily provide the best possible price, as price is not the sole factor considered when seeking best execution. After considering the factors above, the Adviser has decided to utilize BTIG, LLC as the introducing prime broker for the Funds and the SPVs. BTIG, LLC utilizes Goldman Sachs & Co. and Pershing LLC to act as clearing agents and to hold custody of the Funds' and SPVs' assets. Additionally, the Adviser utilizes Morgan Stanley and Co., LLC as a prime broker for North Peak Capital Partners, LP, North Peak Capital Partners II, LP and the SMA.
 - i. The Adviser receives research and other products and services in connection with client securities transactions, which are known as "soft dollar benefits". Subject to the Adviser's duty to seek best execution, these arrangements may not result in the execution of trades at the lowest available commission rates. As a result of these arrangements, the Funds and

separately managed account clients may pay higher commissions than would be the case in the absence of such arrangements. In all events, the Adviser will always seek to obtain best execution for portfolio transactions.

- ii. The Adviser does not consider, in selecting or recommending custodial broker-dealers, whether the Adviser or a related person receives client referrals from a custodial broker-dealer or third-party.
 - iii. The Adviser does not routinely recommend, request, or require that a client direct the Adviser to execute transactions through a specified custodial broker-dealer.
- B. As noted, the Adviser manages investments on behalf of a number of funds and an SMA. The Funds have investment programs that are similar or overlap and therefore, participate in the same investments.

In circumstances where the Firm determines to purchase or sell an investment for several Funds and the SMA at the same time, the investment will generally be allocated pro rata, based on the Funds' and SMA's assets under management, among Funds and SMA for which participation in the investment is considered appropriate. In determining whether a Fund or SMA may participate in an investment, the Firm takes into account the following, among other considerations:

- i. The Funds' and SMA's investment objectives and strategy;
- ii. The potential for the investment to create an imbalance in the Funds' or SMA's portfolio;
- iii. Funds and SMA available capital and liquidity requirements;
- iv. Potential adverse tax consequences;
- v. Regulatory, legal and/or tax restrictions;
- vi. Timeframe by which the investment must be committed or completed; and
- vii. the need to re-size the risk in the Fund's and SMA's portfolio.

The foregoing may result in allocations on other than an AUM pro rata basis. Under no circumstances will trades be systematically allocated to one Fund or SMA over another in order to favor one Fund or SMA at the expense of another, generate higher fees by allocating investments to higher fee paying Funds or SMA, compensate an investor for past services or benefits rendered to the Firm, or to equalize performance among the Funds and SMA, or any other similar reason.

Item 13: Review of Accounts

- A. Jeremy and Michael Kahan monitor client accounts on an ongoing basis. Such reviews are designed to ensure that the investment strategy for the Funds, SMA and SPVs are still on track to achieve its objective, and that the investments remain appropriate. Clients are encouraged to proactively reach out to the Adviser to discuss any changes to their personal or financial situation.
- B. Other factors that may trigger a review include, but are not limited to, material developments in market conditions, material geopolitical events, and changes to the Funds or SMA investment objectives.
- C. The independent third-party administrator of the Funds and SPVs sends account statements and reports directly to investors in the Funds and the SPVs monthly. Such statements and reports are

delivered electronically. If agreed to by the Adviser and client, the Adviser or a third-party report provider will also send clients reports to assist them in understanding their account positions and performance.

Item 14: Client Referrals and Other Compensation

- A. Nobody other than clients provide an economic benefit to the Adviser for providing investment advice or other advisory services to clients. However, as described above in Item 12, the custodial broker-dealer(s) recommended for client accounts provides certain products and services that are intended to directly benefit the Adviser, clients, or both.
- B. Adviser has entered into two referral relationships with independent third parties to raise capital for the Funds and SPVs such that the Adviser compensates the third-parties for client referrals based on a fixed percentage fee of the capital raised.

Item 15: Custody

For separately managed account clients that have their fees deducted directly from their account(s), the Adviser will typically be deemed to have limited custody over such clients' funds or securities pursuant to the SEC's custody rule and subsequent guidance thereto. The current separately managed account managed by the Adviser does not deduct fees directly from the account and is not deemed to have custody. The Adviser is deemed to have custody of the corresponding Funds' and SPVs' assets because it or its affiliate has the ability to deduct advisory fees payable to it and it has a general power of attorney over each Funds' and SPVs' account. Additionally, because the General Partner is under common control with the Adviser, the Adviser is deemed to have custody of the corresponding Funds' and SPVs' investments (cash, securities, and other assets). At no time will the Adviser accept full custody of client funds or securities in the capacity of a custodial broker-dealer, and at all times client accounts will be held by a third-party qualified custodian as described in Item 12, above. Furthermore, the corresponding Funds' and SPVs' financial statements are subject to an annual audit by an independent public accountant, and the audited financial statements are distributed to all investors in the Funds and SPVs.

If a client receives account statements from both the administrator and the Adviser or a third-party report provider, client is urged to compare such account statements and advise the Adviser of any discrepancies between them.

Item 16: Investment Discretion

The Adviser accepts discretionary authority to manage the Funds', SMA's and SPVs' investments pursuant the authorizations granted in the Memorandum, the Limited Liability Company Agreement, the Subscription Agreements, and/or the Limited Partnership Agreements. The Adviser accepts discretionary authority to manage the SMA pursuant to an investment management agreement. Clients may place reasonable limitations on this discretionary authority so long as it contained in a written agreement and/or power-of-attorney.

Item 17: Voting Client Securities

Proxy voting is an important right of shareholders and reasonable care and diligence must be undertaken to ensure that such rights are properly and timely exercised. Investment advisers registered with the SEC, and which exercise voting authority with respect to client securities, are required by Rule 206(4)-6 of the Advisers Act to:

- Adopt and implement written policies and procedures that are reasonably designed to ensure that client securities are voted in the best interests of the client, including how its vote would economically impact (short or long term) the client's investment and how an adviser addresses material conflicts that may arise between an adviser's interests and those of its clients;
- Disclose to clients how they may obtain information from the adviser with respect to the voting of proxies for their securities;
- Describe to clients a summary of its proxy voting policies and procedures and, upon request, furnish a copy to its clients; and
- Maintain records of the Firm's general proxy voting philosophy, proxy material received the manner in which it was voted, the rationale for which it was voted if different from the Firm's general voting philosophy.

The Adviser shall vote proxies related to securities held by any client in a manner solely in the best interests of the client. The Adviser believes that voting proxies in accordance with the following policies is in the best interests of its clients.

- In general, the Adviser votes with management on most routine matters such as the election of directors or ratification of auditors. The Adviser votes in favor of matters that expand shareholder rights such as cumulative voting and declassification of the board of directors. Adviser votes against matters that dilute ownership or limit shareholder rights, such as poison pills and re-incorporation in Delaware. Regarding non-routine matters, the Adviser seeks to benefit the economic interest of its clients.
- In the absence of specific voting guidelines from a client, the Adviser will vote proxies in the best interests of the client. The Adviser votes on issues sensitive to a particular client on a case-by-case basis in the best interest of the client. The Adviser may contact a client directly regarding issues and take direction on how to vote particular proxies.
- If the issue to be voted upon in any proxy raises a material conflict of interest for the Adviser, then the Adviser will promptly disclose the conflict to the client and obtain the client's written consent before voting the proxy. If the Adviser is unable to contact a client or otherwise obtain its written consent by the time the vote of the proxy is due, then the Adviser will vote the proxy according to the guidelines, or based upon the recommendations of an outside service provider.

Item 18: Financial Information

This item is not applicable.