

## Form ADV Part 2A



**BOUNDARY CREEK**  
A D V I S O R S

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**March 2024**

This Form ADV Part 2A (the “Brochure”) provides information about the qualifications and business practices of Boundary Creek Advisors LP (“Boundary Creek”). If you have any questions about the contents of this Brochure, please contact David O’Mara, Chief Compliance Officer, at 212-503-6260 and/or [legalnotices@boundarycreek.com](mailto:legalnotices@boundarycreek.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about Boundary Creek also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with Boundary Creek who are registered, or are required to be registered, as investment adviser representatives of Boundary Creek.

Although Boundary Creek is registered as an investment adviser under the Investment Advisers Act of 1940 (the “Advisers Act”), such registration does not imply that Boundary Creek or its personnel have a certain level of skill or training.

## **Item 2 – Material Changes**

**If you are amending your *brochure* for your annual update and it contains material changes from your last annual update, identify and discuss those changes on the cover page of the *brochure* or on the page immediately following the cover page, or as a separate document accompanying the *brochure*. You must state clearly that you are discussing only material changes since the last annual update of your *brochure*, and you must provide the date of the last annual update of your *brochure*.**

Below is a summary of material changes that Boundary Creek has made to this Brochure since Boundary Creek's last annual Form ADV filing in March 2023. Please be aware that other non-material changes have been included in this Brochure.

- Item 6. Updates have been made regarding Boundary Creek's management of Advisory Clients that are charged only asset-based fees.
- Item 11. Updates have been made regarding the ability of Boundary Creek's personnel to make or hold investments that are also held or traded by Advisory Clients.
- Item 15. Updates have been made regarding the custody of client assets in separately managed accounts.

Additional revisions were made throughout various items, including to conform and clarify the changes made to the item set forth above.

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#### **Item 4 – Advisory Business**

##### **A. Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).**

Boundary Creek is organized as a Delaware limited partnership and is an investment adviser registered with the SEC. The firm has been in business since 2019. As of March 15, 2024, Boundary Creek and Boundary Creek London (as defined below) have 17 employees, primarily located in New York and London. Peter Greatrex serves as the Chief Executive Officer and Chief Investment Officer of Boundary Creek. Mr. Greatrex is the principal owner of Boundary Creek and controls Boundary Creek Partners LLC, the general partner of Boundary Creek.

Boundary Creek has approximately \$3,899,251,408 in regulatory assets under management.<sup>1</sup> Boundary Creek serves as an investment adviser to pooled investment vehicles (“Fund Clients”) and institutional accounts (“Institutional Accounts,” and, together with Fund Clients, “Advisory Clients”) that are primarily domestic and foreign limited partnerships, and foreign companies. Boundary Creek provides investment management and supervisory services to its Advisory Clients on a discretionary and non-discretionary basis. Boundary Creek may establish additional Advisory Clients in the future.

Investments by Fund Clients typically are made through a master-feeder structure, with an affiliate of Boundary Creek serving as general partner of Fund Clients organized as limited partnerships, and Boundary Creek serving as investment adviser to both the Fund Client that invests through the master fund and the master fund itself.

Institutional Accounts are generally organized as foreign companies and structured as separately managed accounts (“SMAs”). Advisory Clients are generally not registered under the Securities Act of 1933, as amended, nor registered under the Investment Company Act of 1940, as amended. Accordingly, interests in such Advisory Clients are offered exclusively to investors satisfying the applicable eligibility and suitability requirements either in private placement transactions within the United States or in offshore transactions. The descriptions in this Brochure do not constitute an offer to sell interests in these Advisory Clients. Please see Item 7 of this Brochure for more information with respect to Boundary Creek’s clients.

Boundary Creek UK LLP (“Boundary Creek London”) is an affiliate of Boundary Creek and serves as adviser to Boundary Creek, primarily with respect to issuers based in Europe, and is compensated by Boundary Creek for its services. Boundary Creek London is registered with the Financial Conduct Authority. Boundary Creek London is a “relying adviser” (“Relying Adviser”) and, as such, neither is, nor is required to be, independently registered with the SEC. Please refer to Items 10.B and 10.C for additional information related to Boundary Creek London.

##### **B. Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.**

Boundary Creek generally has broad and flexible investment authority with respect to the investment portfolios that it manages for its Advisory Clients. Boundary Creek provides investment advisory services to its Advisory Clients with respect to investments in a broad array of instruments, among them bonds of investment and non-investment grade credits, government and municipal bonds, loans (both syndicated and privately traded, including private non-recourse loans supported by publicly traded collateral or project financings), credit derivatives (including credit default swaps and loan total return

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<sup>1</sup> Calculated as of December 31, 2023.

swaps), public equities (including “new issues” as described, and subject to the limitations set forth, in Rules 5130 and 5131 of the Financial Industry Regulatory Authority), convertible bonds and other asset-backed securities and asset-backed financing arrangements, collateralized debt obligations, collateralized loan obligations, insurance-linked securities, financing trades, margin loans, repurchase agreements, reverse repurchase agreements, private and post-reorganization equities, real estate-related assets, privately negotiated investments, equity derivatives, mortgages, futures, commodities interest rate derivatives (including swaps and swaptions), and spot and forward foreign currency contracts. Credit and equity derivatives relate either to individual reference entities or to baskets or portfolios of reference entities (including levered or de-levered tranches of such portfolios or baskets).

Boundary Creek provides such advisory services on a discretionary and non-discretionary basis.

**C. Explain whether (and, if so, how) you tailor your advisory services to the individual needs of *clients*. Explain whether *clients* may impose restrictions on investing in certain securities or types of securities.**

The advisory services provided by Boundary Creek to its Advisory Clients are tailored to the investment objectives, investment strategy and investment restrictions, if any, as set forth in the governing documents of Advisory Clients and/or the investment management agreement entered into by Boundary Creek with such clients. With respect to Fund Clients, except as noted below, Boundary Creek typically does not tailor its advisory services to the individual needs of investors in the Fund Client; accordingly, it typically does not accept material investment restrictions imposed by such Fund Client investors. With respect to Institutional Accounts, the terms of such relationship, including any investment restrictions, are individually negotiated. Certain agreements with one or more investors (“Side Letters”) permit the excuse and/or exclusion of a particular investor from participating in a particular investment in certain limited circumstances, but Boundary Creek generally does not otherwise accept investment restrictions imposed by Fund Client investors.

Advisory Clients have entered into and may in the future enter into, subject to applicable law, rule and regulation, Side Letters with one or more of its investors whereby in consideration for agreeing to invest certain amounts in an Advisory Client and/or other consideration deemed sufficiently material, such investors may be granted favorable rights not afforded other investors in such Advisory Client. Such rights may include one or more of the following: rights to receive reports from the Advisory Client on a more frequent basis or that include information not typically provided to other investors that Boundary Creek believes are not prejudicial to other investors; ability to transfer to affiliates or other parties; reduced rates of performance fees/allocations and/or management fees earned by Boundary Creek, each Advisory Client’s general partner and/or other affiliates; application of a restricted securities list; and such other rights as are negotiated between the Advisory Client, Boundary Creek and such investors. Such agreements may be entered into by the Advisory Client and Boundary Creek without the consent of other investors in such Advisory Client; additionally, except as may be required by “most-favored-nations” clauses, such agreements usually need not be disclosed to other investors in such Advisory Client.

**D. If you participate in *wrap fee programs* by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.**

Boundary Creek does not participate in “wrap fee arrangements,” whereby clients select Boundary Creek to manage funds through an investment program presented to the clients by a third-party program sponsor.

**E. If you manage *client* assets, disclose the amount of *client* assets you manage on a *discretionary basis* and the amount of *client* assets you manage on a *non-discretionary basis*. Disclose the date “as of” which you calculated the amounts.**

As of December 31, 2023, Boundary Creek has approximately \$3,849,051,389 in regulatory assets under management which are managed on a discretionary basis and \$50,200,019 in regulatory assets under management which are managed on a non-discretionary basis.

## **Item 5 – Fees and Compensation**

### **A. Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.**

Fund Clients generally pay an asset-based management fee, which ranges from 1.0% to 1.75% per annum of the net assets of the Fund Client. Management fees are typically charged and paid, in advance or arrears, as described in the investment management agreement between such Advisory Client and Boundary Creek, on (i) a monthly basis for open-ended Fund Clients and (ii) a quarterly basis for closed-ended Fund Clients. Management fees are applied pro rata to each investor's interests in the respective Fund Client. For those Fund Clients that are part of a master-feeder structure, the management fee is typically paid to Boundary Creek by the respective master fund on behalf of the feeder funds.

In addition, Boundary Creek (or affiliates of Boundary Creek acting as special limited partners, general partners or managing members of the Fund Clients) receives performance compensation in the form of incentive allocations or carried interest from Fund Clients. With respect to open-ended Fund Clients, performance compensation generally ranges from 15%-30% of net profits allocated to each investor on an annual basis and is payable at the end of each year or upon a redemption by an investor; provided that with respect to certain Fund Clients, performance compensation is payable only if and to the extent that a certain minimum rate of return (a "hurdle") is exceeded. In certain cases, performance compensation is reduced by the amount of management fees paid over a specified period. Performance compensation is generally subject to a "high water mark" or loss carry forward provisions.

With respect to closed-ended Fund Clients, performance compensation is payable after Fund Clients have made distributions to an investor in the fund that exceed the capital contributed by such investor and a hurdle rate of return on unreturned capital contributions. Boundary Creek (or affiliates of Boundary Creek acting as special limited partners, general partners or managing members of the Fund Clients) generally receive performance compensation equal to 20% of any additional distributions. See Item 6 for further information with respect to performance compensation.

Fee arrangements for SMAs are customized and negotiated prior to engagement of Boundary Creek as an investment manager. SMAs may pay asset-based management fees and typically pay performance-based compensation. Performance-based compensation may be calculated and paid annually, or with respect to distribution proceeds, as specified in the relevant SMA documentation.

Depending on the characteristics of the Advisory Client, fees may be higher or lower and may be subject to various reductions and offsets, in each case, as set forth in each Advisory Client's offering documents. Boundary Creek, reserves the right to waive, reduce or calculate differently management fees and/or performance compensation payable by certain investors in Advisory Clients, including any employee or affiliate of Boundary Creek, any family member thereof, or trusts, estate planning and other investment accounts and/or vehicles established by or for the benefit of such persons. As explained above in Item 4, Boundary Creek enters into Side Letters with certain investors in Fund Clients, typically those with the largest aggregate investments in Fund Clients, whereby such investors are granted favorable rights not granted to other investors in the Fund Client including, among other things, rights to receive reduced or different rates of management fees and/or performance compensation.

Except as described in the preceding paragraph, the management fee and performance compensation for Fund Clients are generally not negotiable.

To calculate advisory fees, Boundary Creek generally relies on prices provided by third parties (whether third-party data feeds or dealer quotes) for purposes of valuing portfolio securities held by Advisory Clients. Advisory Clients' third-party administrator (the "Administrator") verifies the third-party values that Boundary Creek receives. In the event of a disagreement between Boundary Creek and the Administrator, Boundary Creek works with the Administrator to investigate and resolve any differences.

Although it is extremely rare for discrepancies to persist after an investigation by Boundary Creek and the Administrator, in the event that Boundary Creek and the Administrator ultimately disagree on the valuation of a position, the Administrator can withhold approval of the net asset value if it is unsatisfied with the valuation. Boundary Creek maintains policies and procedures relating to the pricing process.

Except to the extent that better performance increases assets under management and thus the amount of the management fee (in cases where the management fee is calculated with respect to assets under management), management fees are payable without regard to the overall success or income earned by Advisory Clients and therefore may create an incentive on the part of Boundary Creek to increase assets under management to a higher level than would be the case if Boundary Creek were receiving a lower or no management fee.

Boundary Creek and its affiliates have entered into an agreement with a strategic investor who has made substantial investments in Advisory Clients. The terms of the agreement provide for reduced management fee and performance compensation rates and for the right for the strategic investor to receive special allocations based on a percentage of the management fees and performance compensation allocable to Boundary Creek and its affiliates.

Other fees payable by investors in Advisory Clients are described below.

*Advisory Client investors and prospective investors in Advisory Clients should refer to the offering documents or governing documents of the respective Advisory Client for detailed information with respect to the fees associated with such Advisory Client. The information contained herein is a summary only and is qualified in its entirety by such documents.*

**B. Describe whether you deduct fees from *clients*' assets or bill *clients* for fees incurred. If *clients* may select either method, disclose this fact. Explain how often you bill *clients* or deduct your fees.**

Depending on the Advisory Client and the authority granted to Boundary Creek, Boundary Creek will deduct fees (or direct the payment of fees) from Advisory Clients' assets. Generally, Institutional Accounts will be billed and will authorize payment to Boundary Creek.

Management fees are generally paid by Advisory Clients to Boundary Creek (or an affiliate), pursuant to a management agreement between the parties.

Performance compensation is generally paid by Advisory Clients to Boundary Creek, or an affiliate of Boundary Creek, pursuant to the governing documents of the Advisory Client, or paid directly out of Advisory Client assets to Boundary Creek pursuant to a management agreement between the parties.

Management fees are generally paid by Advisory Clients monthly or quarterly in arrears or in advance. Performance compensation is generally payable at the end of each year or other pre-defined period, at the time distributions are made to an investor and/or at the time an investor withdraws or redeems, as the case may be, from an Advisory Client, in each case, as set forth in the governing fund documents of Advisory Clients.

Management fees and performance compensation may be (and have been) waived or modified in the sole discretion of Boundary Creek and/or its affiliates, as applicable, including for investors who are affiliated with Boundary Creek.

*Advisory Client investors and prospective investors in Advisory Clients should refer to the private placement memorandum or other offering documents of the respective Advisory Client for detailed information with respect to how fees are paid with respect to their assets. The information contained herein is a summary only and is qualified in its entirety by such documents.*

**C. Describe any other types of fees or expenses *clients* may pay in connection with your advisory**

**services, such as custodian fees or mutual fund expenses. Disclose that *clients* will incur brokerage and other transaction costs, and direct *clients* to the section(s) of your *brochure* that discuss brokerage.**

In addition to paying management fees and performance compensation, Advisory Clients are also subject to other expenses, including, without limitation Advisory Clients' own organizational (which generally are amortized over a period of time), operating and other expenses including, without limitation: (a) expenses associated with all investments and transactions considered, evaluated and/or consummated by the Advisory Clients, including, without limitation, those expenses incurred before the initial closing of the Advisory Clients, including, without limitation, expenses associated with sourcing, negotiating, investigating, researching, financing, structuring and restructuring of investments and potential investments, whether or not consummated, including, without limitation, third-party research, data, analytics, modeling, structuring, pricing, execution and other third-party information systems, software and service fees (including, without limitation, the expenses with respect to data feeds, subscriptions, expert networks, political intelligence providers, and reports); (b) research-related computer hardware and software expenses, including, without limitation, Bloomberg terminals; (c) the Advisory Clients' pro rata share of the Boundary Creek's order management system, portfolio management system and any other software used for accounting and/or monitoring of the portfolio; (d) expenses associated with holding, financing, monitoring, hedging, maintaining and disposing of all investments of the Advisory Clients and all transaction and other costs associated therewith, including management fees and/or performance compensation payable to third parties in connection with holding certain investments (e.g. ETFs, registered investment companies, CLOs and other securitizations); (e) travel and related expenses associated with investments and potential investments; (f) professional fees associated with investments and potential investments, including, without limitation, consulting, due diligence, accounting, valuation, financial, legal, and other advisory fees and expenses; (g) transaction fees, brokerage commissions, custodial fees, brokerage and bank service fees, clearing and settlement charges, transaction taxes, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and similar fees and expenses associated with the acquisition, holding, disposition and settling of investments and potential investments; (h) expenses associated with legal and regulatory filings of the Advisory Clients (including, without limitation, pursuant to Section 13 and 16 of the Securities and Exchange Act of 1934, as amended and the Advisory Clients' pro rata portion of the expenses associated with preparation of the Boundary Creek's Form 13F, Form 13H and Form PF, Form PQR, Form PR, Annex IV, MIFID and UK MIFID reporting and any other similar filing in any other U.S. or non-U.S. jurisdiction; (i) administrative, custodial, appraisal, valuation, legal, regulatory, compliance, consulting, advisory and similar fees and expenses associated with the Advisory Clients' operations, investments and transactions, including, without limitation, fees and expenses of the Advisory Clients' administrator; (j) expenses incurred in connection with responding to requests or inquiries from any U.S. federal, state, local or non-U.S. governmental entity or authority, regulatory body or self-regulatory organization and all extraordinary expenses; (k) broken-deal, failed transaction, break-up and similar fees, costs and expenses, if any; (l) costs and expenses of leverage or any other borrowings of the Advisory Clients, including, without limitation, prime brokerage financing costs, interest charges and fees; (m) expenses incurred in the collection of monies owed to the Advisory Clients, as applicable; (n) auditing and accounting expenses of the Advisory Clients, including, without limitation, expenses associated with the preparation of financial statements, tax returns and reporting, Schedules K-1 and the fees and expenses of the auditor; (o) any entity-level taxes, fees or other governmental charges on the Advisory Clients, including, without limitation, any withholding taxes not due to the noncompliance of a particular Investor; (p) costs and expenses associated with investor communications and reports and the delivery thereof to investors; (q) the costs of service providers or software to measure or monitor risk metrics, to aggregate positions and/or to provide reporting with respect to risk metrics and/or positions; (q) insurance expenses; including, without limitation, directors' and officers' liability insurance, general partner liability insurance, errors and omissions insurance and other policies for the benefit of Fund Clients' directors and general partners, Boundary Creek and its affiliates; (r) costs and expenses (including, without limitation, entity-level taxes, fees or other governmental charges) associated with the formation, organization and

operation of any subsidiary, special purpose vehicle, alternative investment vehicle, holding company, or similar entity formed with respect to investments, credit facilities or other transactions entered into for the benefit of the Advisory Clients; (s) wind-up, liquidation, termination and dissolution expenses; (t) costs, fees and expenses related to registration, qualification and/or exemption under any applicable U.S. federal, state, local or non-U.S. laws, rules or regulations, including, without limitation, blue sky fees, Form D, Form 8.3, Commodity Futures Trading Commission filings and notices and other securities and/or investment-related filing expenses; (u) costs related to any transfers of interests in the Advisory Clients, unless otherwise charged to or borne by the applicable transferor and/or transferee; (v) expenses incurred in connection with the offering and sale of interests/shares (including, without limitation, legal fees, registration and side letter negotiation and documentation) and the preparation of any amendment to the Advisory Clients' governing documents and/or Offering Documents; (w) expenses incurred in connection with pursuing, defending or participating in any litigation, arbitration, mediation or similar proceeding by the Advisory Clients; (x) any extraordinary expenses (including, without limitation, all litigation-related and indemnification and contribution expenses, including, without limitation, the amount of any judgment or settlement paid in connection therewith); and (y) all other fees, costs, charges and expenses associated with the business, affairs and/or operations of the Advisory Clients.

For those Fund Clients that are part of a master-feeder structure, each feeder fund will indirectly bear the administrative and other expenses of the master fund pro rata based on its interest in the master fund. In general, each investor in an Advisory Client will bear its proportionate share of the Advisory Client's expenses on a pro rata basis with respect to the size of such investor's capital account(s) or with respect to the relative net asset value of the shares held by such investor, as applicable.

Notwithstanding the foregoing, Boundary Creek or its affiliates, as applicable, may specially allocate the expenses described herein in any other manner, including by allocating certain expenses to certain (but not all) investors, if Boundary Creek or its affiliates, as applicable, reasonably determines, in its discretion, that it is more equitable to do so.

Any expenses which are incurred jointly by Advisory Clients will be allocated among Advisory Clients in a manner which Boundary Creek believes to be fair and reasonable. Boundary Creek may utilize one or more allocation methodologies to allocate such expenses, including the allocation of expenses on a non-pro rata basis (i.e., such expenses may be allocated on a basis that is other than pro rata based on each client's relative net asset value) if it determines that an expense disproportionately benefits a particular Advisory Client or group of Advisory Clients. Accordingly, an Advisory Client or group of Advisory Clients that disproportionately benefit from an expense may bear more of such expense than had such expense been allocated pro rata based on the relative net asset values of all such Advisory Clients that share in such expense.

To the extent that expenses to be borne by Advisory Clients are paid by Boundary Creek or its affiliates, the Advisory Clients will reimburse Boundary Creek or its affiliates for such expenses. Boundary Creek may waive any such reimbursement with respect to any Advisory Client expenses. Any waiver by Boundary Creek or its affiliates of reimbursement of any Advisory Client expenses shall not serve as a waiver of reimbursement for any future Advisory Client expenses paid by Boundary Creek or its affiliates.

Execution of Advisory Client transactions typically requires payment of a bid/ask spread or brokerage commissions by the Advisory Client. Item 12 below describes the factors that Boundary Creek considers in selecting or recommending broker-dealers for the execution of transactions and determining the reasonableness of their compensation (e.g., commissions). Investment activity also involves other transaction fees payable by Advisory Clients, such as sales charges, odd-lot differentials, transfer fees, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

*Advisory Client investors and prospective investors in Advisory Clients should refer to the private*

*placement memorandum or other offering documents of the respective Advisory Client for detailed information with respect to the fees and expenses they may pay in connection with an investment in such Advisory Client. The information contained herein is a summary only and is qualified in its entirety by such documents.*

**D. If your *clients* either may or must pay your fees in advance, disclose this fact. Explain how a *client* may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.**

Management fees applicable to certain Advisory Clients are paid monthly or quarterly, as applicable, in advance or arrears, as described in the investment management agreement between such Advisory Client and Boundary Creek, the governing documents of such Advisory Client or a Side Letter with an investor in an Advisory Client. With respect to fee refunds, information about how investors in Advisory Clients withdraw or redeem interests or shares in an Advisory Client is set forth in the respective Advisory Client's governing documents.

**E. If you or any of your *supervised persons* accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact and respond to Items 5.E.1, 5.E.2, 5.E.3 and 5.E.4.**

- 1. Explain that this practice presents a conflict of interest and gives you or your *supervised persons* an incentive to recommend investment products based on the compensation received, rather than on a *client's* needs. Describe generally how you address conflicts that arise, including your procedures for disclosing the conflicts to *clients*. If you primarily recommend mutual funds, disclose whether you will recommend "no-load" funds.**
- 2. Explain that *clients* have the option to purchase investment products that you recommend through other brokers or agents that are not affiliated with you.**
- 3. If more than 50% of your revenue from advisory *clients* results from commissions and other compensation for the sale of investment products you recommend to your *clients*, including asset-based distribution fees from the sale of mutual funds, disclose that commissions provide your primary or, if applicable, your exclusive compensation.**
- 4. If you charge advisory fees in addition to commissions or markups, disclose whether you reduce your advisory fees to offset the commissions or markups.**

Neither Boundary Creek nor Boundary Creek's employees receive, directly or indirectly, any compensation from the sale of securities or investments that are purchased or sold for Advisory Client accounts. Boundary Creek is compensated through the management fee and performance compensation agreed upon in the governing documents of the respective Advisory Client. Accordingly, Boundary Creek believes that it does not have any conflicts of interest regarding the receipt of additional compensation for the sale of investment products.

## **Item 6 – Performance-Based Fees and Side-by-Side Management**

**If you or any of your *supervised persons* accepts *performance-based fees* – that is, fees based on a share of capital gains on or capital appreciation of the assets of a *client* (such as a *client* that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your *supervised persons* manage both accounts that are charged a *performance-based fee* and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your *supervised persons* face by managing these accounts at the same time, including that you or your *supervised persons* have an incentive to favor accounts for which you or your *supervised persons* receive a *performance-based fee*, and describe generally how you address these conflicts.**

As described in Item 5, Boundary Creek or its affiliates receive performance-based compensation for investment management services provided to Advisory Clients. Performance-based compensation represents an asset manager's compensation for managing an account which is based upon a percentage of the net profits of the account being managed. Boundary Creek's performance-based compensation arrangements are typically a percentage of net profits allocated to an investor in an Advisory Client on an annual basis or based on an internal rate of return calculation by reference to distributions made to investors and, in certain cases, is subject to a hurdle or a reduction based on the amount of management fees paid.

Performance-based compensation creates certain inherent conflicts of interest with respect to the management of assets by Boundary Creek. Specifically, Boundary Creek's entitlement to performance-based compensation may create an incentive for Boundary Creek to make investments that are riskier or more speculative than would be the case in the absence of such performance-based compensation.

Boundary Creek currently manages an Advisory Client that is charged only asset-based fees (i.e., fees based solely on the amount of assets under management in an account). As a general matter, since performance-based compensation rewards an adviser for strong performance, there may be a perceived incentive for Boundary Creek to allocate more favorable investment opportunities to those Advisory Clients that pay performance-based compensation rather than Advisory Clients do not.

To maintain fair and equitable treatment of all of its Advisory Clients' accounts, Boundary Creek has implemented controls to further its efforts to treat all accounts fairly, regardless of their corresponding fee-structure. Boundary Creek maintains and adheres to written guidelines on the allocation of investment opportunities that apply to the Advisory Clients. Such allocation guidelines are part of the compliance program that governs the conduct of Boundary Creek, the Relying Adviser and their respective employees. As explained below, Boundary Creek believes that its allocation guidelines, along with other existing controls, provide an environment that fosters the fair and equitable treatment of all accounts managed by Boundary Creek, regardless of fee structure.

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

Boundary Creek's investment professionals simultaneously manage portfolios for Fund Clients and Institutional Accounts that implement comparable investment strategies (i.e., side-by-side management). The simultaneous management of these different investment products creates certain potential conflicts of interest and the possibility of favorable or preferential treatment of a portfolio or a group of portfolios, as the fees for the management of certain types of products are higher than others. Because side-by-side management raises such issues, and because Boundary Creek has an affirmative duty to treat its Advisory Clients fairly and equitably over time, it has instituted policies and procedures, including its allocation guidelines, in an effort to ensure that it fulfills this duty.

Boundary Creek's allocation guidelines are written guidelines intended to ensure that investment

opportunities are allocated on a fair and equitable basis among Advisory Clients. The allocation guidelines set forth (i) methods of investment opportunity purchase and sale allocations which are based on (a) the investment strategies pursued by each Advisory Client and (b) the relative target percentages of each Advisory Client for an investment opportunity and (ii) allocation methods which determine how partially-filled orders are divided among Advisory Clients. When allocating investments among Advisory Clients and, in particular, when determining whether to allocate to an investment to an Advisory Client, Boundary Creek will consider a number of factors, including:

- The size, nature and type of investment opportunity
- Relative actual or potential exposure of an Advisory Client to the type of investment opportunity in terms of its existing investment portfolio
- Similar or different investment opportunities identified for future consideration
- Investment guidelines, target returns, sector or regional exposure, diversification guidelines, and investment limitations otherwise applicable
- Legal, tax and regulatory requirements or implications
- Available capital, including recycling provisions applicable to previous investments
- Cash availability, including cash that becomes available through permitted leverage and available financing for the investment opportunity (including, without limitation, taking into account the levels/rates that would be required to obtain appropriate return)
- Likelihood of current income
- Liquidity and duration of the investment opportunity in relation to the remaining investment period of the applicable Advisory Client
- Seniority of the instrument and other capital structure criteria
- Applicable transfer or assignment provisions
- Supply or demand for an investment opportunity at a given price level
- An Advisory Client's risk or investment concentration parameters (including, without limitation, parameters such as geography, industry, issuer/sponsor, off-taker or other counterparty, volatility, leverage or other similar risk metrics)
- Whether the investment opportunity is a follow-on investment or connected in some other manner to a prior investment

Boundary Creek periodically performs a series of tests in an effort to ensure that investment opportunities are allocated in conformity with these guidelines. Although Boundary Creek has a duty to treat all portfolios employing an investment strategy fairly and equitably over time, such portfolios will not necessarily be managed the same at all times. Specifically, there is no requirement that Boundary Creek uses the same investment practices consistently across all portfolios. In general, investment decisions for each Advisory Client will be made independently from those of other Advisory Clients and will be made with specific reference to the individual needs and objectives of each Advisory Client. In fact, different Advisory Client guidelines and/or differences within particular investment strategies may lead to the use of different investment practices for portfolios employing a similar investment strategy. In addition, Boundary Creek will not necessarily purchase or sell the same securities at the same time or in the same proportionate amounts for all eligible portfolios, particularly if different portfolios have materially different amounts of capital under management by Boundary Creek, different idiosyncratic risk concentration limits or different amounts of investable cash available. As a result, although Boundary Creek manages multiple portfolios with comparable investment objectives, or manages accounts with different objectives that trade in the same securities, the portfolio decisions relating to these accounts, and the performance resulting from such decisions, differ from portfolio to portfolio.

Boundary Creek has complete discretion to select and allocate capital among investment strategies and may cause Advisory Clients to invest in additional investment strategies not listed above or cease investing in investment strategies. Further, Boundary Creek has discretion to change target percentages for Advisory Clients.

Boundary Creek may, from time-to-time, offer certain investors in Advisory Clients and other third parties (“Co-Investors”) the right or opportunity to co-invest with other investors and/or Advisory Clients in certain portfolio investments, whether as a direct investment by the Co-Investor or as an indirect investment via a special purpose vehicle or other co-investment vehicle established by Boundary Creek or such investor to hold such co-investment (in each case, a “Co-Investment Opportunity”). Any such Co-Investment Opportunity would only be offered following a determination by Boundary Creek that all Advisory Clients have received the full amount of their respective desired allocations of a particular investment in accordance with Boundary Creek’s allocation guidelines.

Boundary Creek is not generally obligated to arrange Co-Investment Opportunities for all investors in an Advisory Client, and investors and Advisory Clients generally will not be entitled or have any right to participate in such an opportunity solely by reason of being an Advisory Client or an investor in an Advisory Client. Boundary Creek’s decision to offer (or not to offer) Co-Investment Opportunities to any investor generally will be made in its sole discretion, with due consideration for, among other factors, (i) special rights previously offered to particular large or strategic investors (including “most-favored-nations” rights), (ii) the size of the Co-Investment Opportunity, (iii) whether the prospective Co-Investor has expressed interest in Co-Investment Opportunities and such Co-Investor’s capacity to make the investment, (iv) the extent to which previous Co-Investment Opportunities were offered to the prospective Co-Investor (and whether such prospective Co-Investor participated in such previous Co-Investment Opportunities); (v) whether the prospective Co-Investor will represent a good syndicate partner in connection with the Advisory Client’s investment; (vi) how quickly a prospective Co-Investor will be able to consummate its co-investment (including completion of due diligence and obtaining all required internal approvals); (vii) Boundary Creek’s evaluation of whether the Co-Investment Opportunity would subject the potential Co-Investor to legal, regulatory, reporting, public relations, media, or other burdens that make it less likely that the prospective Co-Investor would act upon the Co-Investment Opportunity, if offered; (viii) the ability of such prospective Co-Investor to generate future investment opportunities or provide other benefits to Advisory Clients; (ix) the ability of such prospective Co-Investor to provide analytical and market advice or other expertise that may be valuable to Advisory Clients; and (x) tax, legal, regulatory or confidentiality considerations. Co-Investment Opportunities are typically structured to entitle Boundary Creek to receive performance-based compensation and/or management fees.

## **Item 7 – Types of Clients**

**Describe the types of *clients* to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.**

### **Types of Clients**

Boundary Creek provides investment advisory services to pooled investment vehicles operating as private investment funds and institutional accounts.

### **Conditions for Managing Accounts**

The minimum initial investment amount for investors in Fund Clients is generally at least \$5,000,000. The minimum investment required for an Institutional Account depends on the type, number, and complexity of the strategies and instruments to be managed in the vehicle and the time horizon of the investment.

These requirements generally can be waived at the discretion of the general partner or the board of directors of the Advisory Client, or their respective delegates, subject to any statutory or regulatory minimum requirements.

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

**A. Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that *clients* should be prepared to bear.**

The investment objective of the Advisory Clients is to seek to generate high, risk-adjusted absolute returns, with limited correlation to traditional fixed income and equity portfolios, by investing in or shorting securities, loans and other obligations. Boundary Creek employs a number of fundamentally- and technically-driven investment strategies to make investment decisions on behalf of Advisory Clients, including fundamental long/short, new issues, cross-currency, basis, curve, capital structure and cross-asset strategies. Boundary Creek has complete discretion to select and allocate capital among investment strategies and may cause Advisory Clients to invest in additional investment strategies not listed above in or cease investing in investment strategies its own discretion.

Advisory Clients will trade in a broad range of listed and unlisted instruments, whether publicly or privately offered, including, but not limited to, corporate bonds of investment and non-investment grade credits, government and municipal bonds, loans (both publicly and privately traded, including private non-recourse loans supported by publicly traded collateral or project financings), credit derivatives (including credit default swaps and loan total return swaps), public equities (including “new issues” as described, and subject to the limitations set forth, in Rules 5130 and 5131 of the Financial Industry Regulatory Authority), preferred equities, exchange-traded funds, exchange-traded notes, equity derivatives, options, warrants, futures, convertible bonds and other asset-backed securities and asset-backed financing arrangements, collateralized debt obligations, collateralized loan obligations, insurance-linked securities, financing trades, margin loans, repurchase agreements, reverse repurchase agreements, private and post-reorganization equities, REITs, real estate-related assets, privately negotiated investments, mortgages, commodities, futures, interest rate derivatives (including swaps and swaptions), spot and forward foreign currency contracts, other government securities and all other forms of investment, financial and commercial agreements, contracts and undertakings. Credit and equity derivatives relate either to individual reference entities or to baskets or portfolios of reference entities (including levered or de-levered tranches of such portfolios or baskets). Except as set forth in the governing documentation of Advisory Clients, there are no limitations on the markets, sectors or instruments in which an Advisory Client may trade, or the trading strategies that an Advisory Client may employ.

Boundary Creek’s analysts undertake in-depth financial analysis of individual names and monitor market developments across sectors. They combine a fundamental, cash flow approach with an understanding of a company’s capital structure and specific securities to facilitate absolute and relative value judgments on individual names. Analysts make recommendations on outright long or short positions in particular issuers, capital structure trades and opportunities that arise between names. Analysts provide expertise in particular areas of fundamental research to complement sector and name coverage and use quantitative models that generate fundamental, technical and flow-based signals.

Boundary Creek’s portfolio managers analyze trade ideas, monitor the portfolio, perform risk and scenario analyses, and look for investment opportunities within their strategies. The portfolio management team is ultimately responsible for deciding which investment ideas to implement. The team makes these determinations based on the current exposures in the portfolio, the market environment, the relative attractiveness, risk profile, and liquidity of the new position, and the judgment of its members.

In evaluating securities, the main sources of information used by Boundary Creek include, but are not limited to: quantitative data provided by third-party vendors; financial newspapers and magazines; research materials prepared by third parties; corporate rating services; annual reports, prospectuses and other filings and disclosures made by issuers. However, Boundary Creek relies on its traders, portfolio managers and research analysts for generating and vetting trade ideas. Boundary Creek typically generates the research that it relies upon to make investment decisions internally.

**B. For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.**

All securities investments risk the loss of capital. No guarantee or representation is made that an Advisory Client will achieve its investment objective or that investors will not lose all or substantially all of their investment in the Advisory Client. Purchases of interests in Advisory Clients are suitable only for sophisticated investors of substantial financial means who can make a long-term investment, can bear the risk of loss of their entire investment in the Advisory Client and have no need for liquidity in their investment.

Boundary Creek's strategies have the potential for Advisory Clients' assets to decline in value. The nature of Advisory Clients' investments involves certain risks, and the use of investment techniques (such as hedging, leverage and short selling) carries additional risks.

Notwithstanding the emphasis intended by references to Boundary Creek below, the following risk factors in this Item 8.B generally apply to the Advisory Clients of Boundary Creek. Some of the specific risks to which Advisory Client assets are susceptible are as follows:

Concentration of Investments

Boundary Creek generally seeks to maintain a diversified portfolio of investments subject to any limitations imposed by the governing documentation of an Advisory Client. However, Advisory Clients may concentrate its investments in a few industries, issuers and instruments in a specific geographic area, the negative impact on the value of the assets of an Advisory Client due to adverse movements in a particular economy or industry or in the value of the securities of particular issuer or instrument could be considerably greater than if an Advisory Client were not permitted to concentrate its investments to such a significant extent. If an Advisory Client's portfolio becomes concentrated in a limited number of investments, such Advisory Client's performance will not necessarily correlate with the performance of the markets on which instruments held by the Advisory Client are traded. Any loss with respect to a portfolio instrument may have a significant adverse impact on an Advisory Client.

Volatility

The market value of certain of an Advisory Client's investments may be volatile, and will generally fluctuate due to a variety of factors that are inherently difficult to predict, including, among other things, the macro business and economic environment, specific developments or trends within a company or in any particular industry, the market's overall perception of risk, general economic conditions, the condition of certain financial markets, domestic and international economic or political events, prevailing credit spreads, changes in prevailing interest rates and the financial condition of counterparties.

Illiquidity of Investments

In some circumstances, investments are relatively illiquid, making it difficult to acquire or dispose of them at the prices quoted on the various exchanges. Accordingly, Boundary Creek's ability to respond to market movements may be impaired, and Advisory Clients may experience adverse price movements upon liquidation of its investments.

In addition, the Advisory Clients may make private investments that are subject to liquidity-related risks, particularly the risk that an Advisory Client will be unable to dispose of such investments by sale or other means at attractive prices or will otherwise be unable to complete any exit strategy. Among others, these risks include changes in the financial condition or prospects of the entity in which the investment is made. It is not generally expected that private securities acquired by an Advisory Client will eventually be

registered and listed on a securities exchange. Absent registration, such Advisory Client will not be able to sell such securities unless an exemption from such registration requirements is available. In addition, in some cases an Advisory Client may be prohibited by contract or regulatory restrictions from selling such securities for a period of time. To the extent that there is no liquid trading market for an investment, an Advisory Client may be unable to liquidate that investment or may be unable to do so at a profit. Moreover, there can be no assurances that private purchasers for an Advisory Client's investments will be found.

#### Financial Model Risk

Most, if not all, of Advisory Clients' investments and investment strategies require the use of quantitative and qualitative valuation models developed by Boundary Creek and third parties. As market dynamics shift (for example, due to changed market conditions and participants) over time, a previously highly successful model may become outdated or inaccurate, perhaps without Boundary Creek recognizing the change before significant losses are incurred. An Advisory Client's model risk extends to the valuation of its investments, most of which will be made on the basis of internal Boundary Creek models in the absence of any readily determinable market value. The valuations so determined may differ materially from values that are actually realized.

#### Quantitative Analysis

Use of Systems. Boundary Creek relies on the use of computer systems, hardware, software, and telecommunications equipment. Boundary Creek makes use of its own equipment as well as equipment, systems and services (including so-called "cloud" based storage and other services) provided by third parties. Accordingly, the Advisory Clients are exposed to the risk that computer hardware, software, electronic equipment and other services used by Boundary Creek may cease to be available, for example, due to the insolvency of the provider, the discontinuation of services or software updates, or the interruption of communication access. In such circumstances, Boundary Creek would seek to obtain equivalent hardware, software and services from an alternative supplier, which could take time to accomplish and which could be costly.

Risk of Programming Implementation Error or Logical Error. Given the reliance of Boundary Creek upon the operation of its models and other software trading and analysis systems, the Advisory Clients are therefore at risk of errors of implementation (known as "bugs") and errors of design that may exist or arise in the software or models, and which may cause inappropriate or aberrant behavior under certain market conditions. While reasonable steps have been taken to ensure that the software is adequate in design and free from bugs, formal proof of bug-free code has not been undertaken, nor can the underlying logical and/or mathematical models be certified as free from error; investors should expect that – at any given time – Boundary Creek's code will contain errors of design and bugs.

As with any software, upgrades, "bug fixes" and various other improvements may be introduced over time and the risk therefore exists that such changes may detrimentally affect the performance of the Advisory Clients, rather than improve it.

Furthermore, without limitation, while the software has been tested, no guarantee can be given that a combination of input conditions experienced when running the system "live" will not cause the system to fail, perform aberrantly, or take positions that were not anticipated.

These failures may occur in a complex, interdependent environment where different elements of code are all functioning correctly, but their interaction gives rise to unanticipated or unintended errors. Given the fact that Boundary Creek will be utilizing proprietary and third-party code (some of which may be open-source or without any warranties), it is possible or likely that errors will arise from such interactions, and that such errors and any related losses would not constitute reimbursable Trade Errors.

Risks Inherent in Computer-Driven and Intellectual Property Based Systems. Boundary Creek relies to a

material extent on a wide range of intellectual property systems, including computer hardware and software systems and telecommunications systems, in substantially all phases of its operations, including research, valuation, trade identification and construction, trade execution, clearing, risk management, back-office functions and reporting.

As described above, intellectual property systems are subject to a number of inherent and unpredictable risks. For example: there may be material undiscovered errors in software programs; software and/or hardware may malfunction and/or degrade; electronic and telecommunications delivery may fail; security breaches may lead to unauthorized trades or stolen intellectual property; services provided by third-party vendors to support the intellectual property systems may be interrupted; and computer-driven trading errors may occur. For the sake of clarity and without limitation, though losses arising from computer-driven and intellectual property-based systems could adversely affect the Advisory Clients' performance, such losses would likely not constitute reimbursable Trade Errors.

### Trade Errors

As a fiduciary, Boundary Creek has an obligation to seek to ensure that orders it places for the account of Advisory Clients are accurate; nevertheless, Advisory Clients may experience errors with respect to the execution of trades placed on its behalf by Boundary Creek. Such "Trade Errors" include, for example: (i) an unintended or inaccurate execution of an actionable order generated by Boundary Creek; (ii) an erroneous voice instruction or an erroneous keystroke order entry relating to an actionable order generated by Boundary Creek; (iii) an error in Boundary Creek's trade execution routing systems, software or protocols; and (iv) an error during the clearance and settlement processes that results in an unintended transaction. Delays in executions of orders that are attributable to Boundary Creek and trading errors that do not result in transactions (such as erroneous trade instructions that are withdrawn or corrected prior to execution and erroneous cancellations of actionable orders generated by Boundary Creek's trading system) will not be viewed as "Trade Errors."

While the identification of Trade Errors and the proper method for resolving Trade Errors in any particular circumstance can be complicated, it is Boundary Creek's general policy to identify Trade Errors and, where feasible and appropriate, to ensure that each Trade Error is corrected in an expeditious manner. However, there are situations—particularly where a quantitative model is involved or where the discovery of the trade error follows the settlement of the erroneous trades by some period of time—where it will be in the best interests of Boundary Creek's Advisory Clients to allow a trade placed in error to stand, and for the portfolio (including the position resulting from a trade error) to serve as the basis for subsequent trading decisions.

Neither Boundary Creek nor any other person indemnified pursuant to an Advisory Client's governing documentation (each, an "Indemnified Person") will be liable to the Advisory Clients for losses resulting from any Trade Error, absent the willful misconduct, bad faith or gross negligence (as construed in accordance with the laws of the State of Delaware) of Boundary Creek or of any such Indemnified Person. Boundary Creek, subject to its fiduciary obligations, will determine whether or not any loss resulting from a Trade Error is required to be reimbursed in accordance with these policies. As a result of these provisions, the Advisory Clients (and not Boundary Creek) will benefit from any gains resulting from Trade Errors and will be responsible for any losses (including additional trading costs) resulting from Trade Errors, absent willful misconduct, bad faith or gross negligence (as construed in accordance with the laws of the State of Delaware) on the part of Boundary Creek or any other Indemnified Person, in which case Boundary Creek will reimburse the Advisory Clients for any losses resulting from such covered Trade Errors. Profits from Trade Errors may not offset losses from Trade Errors, unless the underlying transactions constitute a single transaction.

Given the potentially large volume of transactions executed by Boundary Creek on behalf of the Advisory Clients, investors should assume that Trade Errors will occur and that, to the extent permitted by applicable law and under the applicable Advisory Client's governing documents and/or investment

management agreement, the Advisory Client will be responsible for any resulting losses, even if such losses result from the negligence (but not gross negligence, as construed in accordance with the laws of the State of Delaware) of Boundary Creek and its personnel.

Hardware Failures. Similarly, with regard to trading, communication, development, programming and other systems or equipment that Boundary Creek operates, utilizes or relies upon, any or all of the following events may occur, even where Boundary Creek, acting as a fiduciary, takes steps to select secure and satisfactory equipment and service providers: (i) failures of such systems or equipment; (ii) interruptions in access to or the operations of such systems or equipment; (iii) loss of functionality of such systems or equipment; (iv) degradation or corruption of such systems or equipment; (v) compromises in the security or integrity of such systems or equipment; (vi) loss of power to such systems or equipment; and (vii) other situations that adversely affect such systems or equipment, however caused or occurring. These sorts of problems can result in losses for the Advisory Clients and are collectively termed “Hardware Failures.” Hardware Failures also are not deemed to be “Trade Errors.”

Pursuant to the “general exculpation and indemnity standard” described above, none of Boundary Creek or any other Indemnified Person will generally be liable to the Advisory Clients for losses resulting from any Hardware Failure, absent the willful misconduct, bad faith or gross negligence (as construed in accordance with the laws of the State of Delaware) of Boundary Creek or of any such Indemnified Person. As a result of these provisions, the Advisory Clients (and not Boundary Creek) will be responsible for any losses resulting from Hardware Failures, absent willful misconduct, bad faith or gross negligence (as construed in accordance with the laws of the State of Delaware) on the part of Boundary Creek or any other Indemnified Person, in which case Boundary Creek will reimburse the Advisory Clients for losses resulting from such covered Hardware Failures. Investors should weigh the risk that Hardware Failures result in losses for the Advisory Clients, which will be responsible for such losses, even if they result from the negligence (but not gross negligence, as construed in accordance with the laws of the State of Delaware) of Boundary Creek and its personnel.

#### Currency Exposure

Interests in Advisory Clients are issued and withdrawn primarily in U.S. Dollars. In certain cases, the assets of Advisory Clients are, however, invested in securities and other investments which are denominated in currencies other than U.S. Dollars, Euro, British Pound Sterling, Canadian Dollar and other foreign currencies. Accordingly, the value of such assets may be affected favorably or unfavorably by fluctuations in currency rates. Boundary Creek usually seeks to hedge most foreign currency exposure of Advisory Clients, but Advisory Clients are not required to hedge and there can be no assurance that an Advisory Client’s hedging activities, even if undertaken, will be effective. However, Advisory Clients are necessarily subject to foreign exchange risks. In addition, prospective investors in Advisory Clients whose assets and liabilities are predominately in other currencies should take into account the potential risk of loss arising from fluctuations in value between the U.S. Dollar and other currencies.

#### Possible Positive Correlation

One of the goals in incorporating non-traditional investment strategies such as those to be utilized by Advisory Clients into a portfolio or series of portfolios is to provide a potentially valuable element of diversification. However, there can be no assurance, particularly during periods of market disruption and stress, when the risk control benefits of diversification may be most important, that an Advisory Client will, in fact, be negatively- or non-correlated with a traditional portfolio of stocks or bonds.

#### Short Selling

Boundary Creek engages in short selling. Short selling involves trading on margin and accordingly can involve greater risk than investments based on a long position. A short sale of a security involves the risk of a theoretically unlimited increase in the market price of the security, which could result in an inability to cover the short position and a theoretically unlimited loss. Additionally, there can be no assurance that

securities necessary to cover a short position will be available for purchase.

### Leverage

Advisory Clients generally trade and invest on a leveraged basis through borrowings from counterparties and the leverage employed may be substantial. Advisory Clients also incur leverage that is embedded in certain derivative instruments and other investments in the portfolio. Losses incurred in respect of Advisory Clients' leveraged investments will be magnified in respect of Advisory Clients' net asset value in direct proportion to the degree of leverage employed. The use of leverage may result in the forced liquidation of positions (which may otherwise have been profitable) as a result of margin or collateral calls. Advisory Clients also incur interest expenses on the borrowings used to leverage positions. If gains earned by an Advisory Client's portfolio fail to cover such costs, the Advisory Client's net asset value may decrease faster than if there had been no borrowings. Advisory Clients are not subject to any borrowing limitations imposed by their governing documents.

### Financing Arrangements; Availability of Credit.

Boundary Creek's use of substantial leverage on behalf of Advisory Clients depends on the availability of credit in order to finance the portfolio. There can be no assurance that Advisory Clients will be able to maintain adequate financing arrangements under all market circumstances. As a general matter, the banks and dealers that provide financing to Advisory Clients can apply essentially discretionary margin, haircut, financing, security and collateral valuation policies. Changes by banks and dealers in such policies, or the imposition of other credit limitations or restrictions, whether due to market circumstances or governmental, regulatory or judicial action, may result in margin calls, loss of financing, forced liquidation of positions at disadvantageous prices, termination of swap and repurchase agreements and cross defaults to agreements with other dealers. Any such adverse effects may be exacerbated in the event that such limitations or restrictions are imposed suddenly and/or by multiple market participants at or about the same time. The imposition of such limitations or restrictions could compel Advisory Clients to liquidate all or part of the portfolio at disadvantageous prices.

### Spread Trading Risks

A part of an Advisory Client's trading operations may involve spreads between two or more positions. To the extent the price relationships between such positions remain constant, no gain or loss on the positions will occur. In addition, such positions entail substantial risk that the price differential could change unfavorably, causing a loss to the spread position. In periods of trendless, stagnant markets and/or deflation, many alternative investment strategies have materially diminished prospects for profitability.

### Arbitrage Transaction Risks

Arbitrage strategies attempt to take advantage of perceived price discrepancies of identical or similar financial instruments, on different markets or in different forms. From time-to-time, Boundary Creek employs these arbitrage strategies for certain Advisory Clients. If the requisite elements of an arbitrage strategy are not properly analyzed, or unexpected events or price movements intervene, losses can occur which can be magnified to the extent an Advisory Client is employing leverage. Moreover, arbitrage strategies often depend upon identifying favorable "spreads," which can also be identified, reduced or eliminated by other market participants.

### Hedging Transactions

The success of an Advisory Client's hedging strategy is subject to Boundary Creek's ability to assess correctly the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolio being hedged. Since the characteristics of many securities change as markets change or time passes, the success of an Advisory Client's hedging strategy is also subject to Boundary Creek's ability to recalculate, readjust, and execute hedges

continually and in an efficient and timely manner.

From time-to-time, an Advisory Client may enter into hedging transactions to seek to reduce risk; however, such transactions may result in a poorer overall performance for the Advisory Client than if it had not engaged in any such hedging transactions. For a variety of reasons, Boundary Creek may not seek to establish a perfect correlation between such hedging instruments and the risks being hedged. Such imperfect correlation may prevent the Advisory Client from achieving the intended hedge or expose the Advisory Client to risk of loss. In addition, Boundary Creek may not hedge a risk inherent in the Advisory Client because a hedge may not be available or is too costly in light of the likelihood of the possible risk actually occurring, or because the risk simply was not anticipated.

#### Counterparty Risk

An Advisory Client is subject to the risk of the inability of any counterparty (including banks, prime brokers and ISDA counterparties) to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes. The stability and liquidity of swap transactions, forward transactions and other over-the-counter derivative transactions depend in large part on the creditworthiness of the parties to the transactions. If there is a default by the counterparty to such a transaction, the Advisory Client will under most normal circumstances have contractual remedies pursuant to the agreements related to the transaction. However, exercising such contractual rights may involve delays or costs which could result in losses. Furthermore, there is a risk that any of such counterparties could become insolvent. If one or more of the Advisory Client's counterparties were to become insolvent or the subject of liquidation proceedings in the United States (either under the Securities Investor Protection Act or the United States Bankruptcy Code), there exists the risk that the recovery of that portion of such Advisory Client's portfolio held by such prime broker or broker-dealer will be delayed or be of a value less than the value of the securities or assets originally entrusted to such prime broker or broker-dealer. In addition, Advisory Clients use counterparties located in various jurisdictions outside the United States. Such local counterparties are subject to various laws and regulations in various jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to the Advisory Clients' assets are subject to substantial limitations and uncertainties. In the event of the failure of a counterparty which is a banking institution, access to an Advisory Client's depository account with that institution could be restricted and U.S. Federal Deposit Insurance Corporation ("FDIC") protection may not be available for balances in excess of amounts insured by the FDIC (and similar considerations may apply to banking institutions in other jurisdictions not subject to FDIC protection). 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 their insolvency on an Advisory Client and its assets. Investors should assume that the insolvency of any counterparty would result in a loss, which could be material, to the affected Advisory Client.

#### Reliance on Corporate Management and Financial Reporting

Boundary Creek relies on the financial information made available by the issuers in which Advisory Clients invest. Boundary Creek typically does not independently verify the financial information disseminated by the numerous issuers in which Advisory Clients may invest and is dependent upon the integrity of both the management of these issuers and the financial reporting process in general. Corporate mismanagement, fraud and accounting irregularities relating to the issuers of investments held by Advisory Clients may result in material losses. Equity prices are particularly vulnerable to corporate mismanagement.

#### Litigation

From time-to-time, in the ordinary course of their operations, Boundary Creek and its affiliates may be subject to litigation and arbitration, which can be costly and divert significant portions of available staff

time and resources. In addition, from time-to-time Boundary Creek uses litigation as part of an investment tactic. An Advisory Client could be party to lawsuits either initiated by it, or by a company in which such Advisory Client invests, other shareholders, or state, federal and foreign governmental bodies. There can be no assurance that any such litigation, once begun, would be resolved in favor of the applicable Advisory Client. Any litigation or arbitration could have a materially adverse effect on the involved Advisory Client.

#### Exposure to Material, Non-Public Information

From time-to-time, Boundary Creek receives material, non-public information or inside information with respect to an issuer of publicly traded securities. In such circumstances, Advisory Clients may be prohibited, by law, policy or contract, for a period of time from (i) unwinding a position in such issuer, (ii) establishing an initial position or taking any greater position in such issuer, and (iii) pursuing other investment opportunities related to such issuer.

#### Information Asymmetry

Certain employees and/or affiliates of Boundary Creek who from time-to-time may invest directly or indirectly in Advisory Clients will receive and/or have exposure to information related to such Advisory Clients' portfolios and operations, either directly or by means of their respective day-to-day roles at Boundary Creek, and any such information may not be shared with (or otherwise known by) other investors in such Advisory Clients. Additionally, certain Advisory Clients that invest in the same or similar portfolios as other Advisory Clients may receive, directly or indirectly, more frequent reporting regarding such portfolios than such other Clients receive. As a result, in the event of any overlap among investors in these Advisory Clients, such overlapping investors may receive or infer additional or more timely information regarding such portfolios than is known to other investors in such other Advisory Clients. Investors with greater exposure to information will be at an advantage as compared to other investors with regard to investment decision-making.

#### Reliance on Management

Investors generally do not have an opportunity to select or evaluate any Advisory Client's investments, or to review an Advisory Client's securities and other investment positions. Boundary Creek selects all Advisory Client investments, and the quality of Boundary Creek's decisions dictates the Advisory Clients' success or failure. In addition, the business and prospects of Boundary Creek (and by extension, the Advisory Clients) might be materially and adversely affected by the death or incapacity of any senior personnel of Boundary Creek. Further, if the Advisory Clients managed by Boundary Creek were to incur substantial losses, the revenues of Boundary Creek may decline substantially. Such losses may impair Boundary Creek's ability to retain employees, provide the same level of service to the Advisory Clients and continue operations.

#### Reliance on Certain Third Parties

Advisory Clients are dependent upon their counterparties and certain service providers, such as the administrators and prime brokers of the Advisory Clients. Errors are inherent in the operations of any business (including the business of the Advisory Clients), and although Boundary Creek has adopted measures to prevent and detect errors by, and misconduct of, counterparties and service providers, and to transact with counterparties and service providers it believes to be reliable, such measures may not be effective in all cases. Errors or misconduct by such service providers could have a material adverse effect on the Advisory Clients.

#### Use of Alternative Data.

The analysis and interpretation of alternative data involves a high degree of uncertainty and may entail significant expense which may be borne by Advisory Clients. Alternative data typically refers to

information derived from non-traditional sources of financial information. Alternative data is often less structured than traditional data sets and usually has less history, thus making it more complex to incorporate into investment models. Alternative data providers often do not have enterprise standard infrastructure for data delivery, which can result in data sets being suspended, delayed, degraded, adjusted, or otherwise less uniform. Moreover, there has been increased scrutiny from a variety of regulators regarding the use of alternative data for investment purposes, and its use or misuse under current or future laws and regulations could create liability for Boundary Creek or Advisory Clients in various jurisdictions.

#### Incentive Fees of Service Providers and Third-Party Managers

Service providers and managers of investment vehicles (“IVs”) (e.g. asset-backed securities, REITs) in which Advisory Clients may invest (“Third-Party Managers”) receive compensation based on, among other things, the performance of the assets that they service or in which such IVs invest. Therefore, it is possible that certain service providers or Third-Party Managers receive incentive compensation from an Advisory Client, even though such Advisory Client, as a whole, does not achieve net capital appreciation. Such compensation arrangements may create an incentive to make investments that are riskier or more speculative than would be the case if such arrangements were not in effect. In addition, because performance-based compensation may be calculated on a basis which includes unrealized appreciation of an Advisory Client’s assets, such performance-based compensation may be greater than if such compensation were based solely on realized gains. In addition, the existence of such incentive fees and other fees, such as management fees based, for example, on the value of assets managed, result in Advisory Clients paying fees twice, once to the Boundary Creek or its affiliate and once to the service provider or Third-Party Manager to service or manage the same assets.

#### Co-Investments by Advisory Clients and Other Third Party Investors

An Advisory Client may co-invest initially in a particular loan, security or other investment at substantially the same time as other Advisory Clients, in which case they would invest at substantially the same price. Though Advisory Clients often invest in tandem with other Advisory Clients, each Advisory Client will not necessarily invest through the same entity or use the same counterparties. This may result in differences in price, terms and amount of leverage (if any), and associated transaction costs. In addition, there can be no assurance that each Advisory Client would dispose of such an investment at substantially the same price or time as other Advisory Clients due to many factors that may or may not be foreseeable at the time of investment, including availability of capital for follow-on investment and other needs, differing basis in the investment, differing financing terms applicable to different investments, time horizons applicable to different Advisory Clients (including different investment periods) and their differing investment objectives and investment programs. Further, one Advisory Client’s determination to dispose of an investment could affect the timing of another Advisory Client’s disposal of that same investment. For example, such disposal could forfeit or diminish altogether certain rights or benefits (e.g., voting or other consent and control rights, board or committee representation, other rights attendant to superior equity or debt positions, etc.) held directly or indirectly by all Advisory Clients participating in the investment due to aggregate holdings size requirements or other considerations or otherwise affect the long-term viability of the investment, resulting in the determination by the other Advisory Clients that it is in their respective best interests to liquidate their positions as well even if the timing of such liquidation would not otherwise have been considered optimal. Further, to the extent an Advisory Client is required to liquidate its interest in such investment to meet liquidity demands of its investors, such liquidation may have an adverse effect on the market value of the underlying investment.

In addition, Advisory Clients may co-invest with third parties that are not Advisory Clients through joint ventures or other IVs. Such investments involve risks not present in investments where a third party is not involved, including the possibility that a co-venturer or partner of an Advisory Client may at any time have economic or business interests or goals which are inconsistent with those of such Advisory Client, or may be in a position to take action contrary to such Advisory Client’s investment objectives. In addition,

an Advisory Client in certain circumstances will be liable for actions of its co-venturers or partners. Furthermore, if a co-venturer defaults on its funding obligations, in certain circumstances such Advisory Client will be required to make up the shortfall. Investments made with third parties in partnerships, joint ventures or other IVs involve carried interest and/or other fees payable to such third-party co-venturers or partners. In those circumstances where such third parties involve a management group, such third parties receive compensation arrangements relating to such investments, including incentive compensation arrangements.

#### Co-Investment Opportunities

As discussed above under *Side-by-Side Management*, Boundary Creek, from time-to-time, offers certain investors in Advisory Clients and/or other third parties the right or opportunity to co-invest with other investors and/or Advisory Clients in certain portfolio investments, whether as a direct investment or as an indirect investment via a special purpose vehicle or other co-investment vehicle established by Boundary Creek to hold such co-investment. Boundary Creek generally is not obligated to arrange Co-Investment Opportunities for investors in any Advisory Client, and investors and Advisory Clients generally will not be entitled or have any right to participate in such a Co-Investment Opportunity solely by reason of being an Advisory Client or an investor in an Advisory Client.

#### Investing in Pre-Existing Investments

In certain cases, Advisory Clients invest in entities or assets in which other Advisory Clients hold an investment. Such transactions may have an effect (positive or negative) on the market price of such investment. In circumstances in which an Advisory Client makes an investment in an entity in which other Advisory Clients have a pre-existing investment, the investing Advisory Client would be expected to make business decisions relating to such investment (such as, for example, financing or hedging interest rate or currency risk) independently of the analogous decisions made with respect to such investment by such other Advisory Clients. This may result in situations where an Advisory Client may choose not to hedge certain risks that other Advisory Clients do hedge, or the possibility that an Advisory Client is exposed to risks of financing (for example, possible margin calls) on an investment when other Advisory Clients are not.

#### Investing in Different Levels of the Capital Structure

It is expected that Advisory Clients will hold interests in an entity that are of a different class, type or seniority than, or otherwise adverse to, the class, type or seniority of interests held by other Advisory Clients. Similarly, from time-to-time Advisory Clients will hold multiple investments across the capital structure of an issuer of varying classes, types or seniorities, but will hold different proportions of each such investment. It is possible that the trading and investment activities of any Advisory Client could conflict with the activities and strategies employed in managing the assets of any other Advisory Client and affect the prices and availability of the securities and instruments in which an Advisory Client invests. For example, one Advisory Client may hold unsecured debt of an issuer while another Advisory Client holds secured debt of the same issuer. This would potentially result in one Advisory Client being senior or junior to another Advisory Client in the capital structure of such entity, which could mean that in a restructuring, workout or other distressed scenario the interests of such Advisory Clients might be adverse to one another, and one such Advisory Client might recover all or part of their investment while the other does not. Decisions about what action should be taken in a stressed situation, including whether or not to enforce claims, whether or not to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring, raise conflicts of interest.

In addressing certain of the potential conflicts of interest described herein, Boundary Creek may, but shall not be obligated to, take one or more actions on behalf of an Advisory Client, including any one or more of the following: (i) causing an Advisory Client to remain passive in a situation in which it is

otherwise entitled to vote or take other action, which may result in the outcome of such vote or action being determined by (x) other investors or decision-makers in the same class of equity or debt securities (or another class of equity or debt) or (y) the vote or other action taken by another Advisory Client; (ii) referring the matter to one or more persons that is not affiliated with Boundary Creek to review or approve of an intended course of action with respect to such matter; (iii) consulting with the Advisory Client on such matter or otherwise requesting that the underlying investors (or an advisory board) approve such matter; (iv) establishing ethical screens or information barriers to separate Boundary Creek investment professionals or assigning different teams of Boundary Creek investment professionals, supported by legal counsel and other advisers, as Boundary Creek deems appropriate, to act independently of each other in representing different Advisory Clients or Advisory Clients that hold different classes, series or tranches of an issuer's capital structure; (v) as between two Advisory Clients, ensuring (or seeking to ensure) that the underlying investors therein own interests in the same securities or financial instruments and in the same proportions so as to preserve an alignment of interest; or (vi) causing an Advisory Client to divest itself of a security or financial instrument or particular class, series or tranche of an issuer's capital structure it might otherwise have held on to, including causing an Advisory Client to sell a security or financial instrument to one or more other Advisory Clients (or vice versa), or underlying investors in such other Advisory Client. There can be no assurance that any of these measures will be feasible or effective in any particular situation, and it is possible that the outcome for the Advisory Client will be less favorable than might otherwise have been the case if Boundary Creek had not had duties to other Advisory Clients.

Boundary Creek recognizes that conflicts arise when Advisory Clients invest in different levels of the capital structure of the same entities and will endeavor to treat all Advisory Clients fairly and equitably under such circumstances. The actions taken by Boundary Creek on behalf of an Advisory Client are expected to vary based on the particular facts and circumstances surrounding each investment by two or more Advisory Clients in different classes, series or tranches of an issuer's capital structure (as well as across multiple issuers or borrowers within the same overall capital structure) and, as such, investors should expect some degree of variation, and potentially inconsistency, in the manner in which potential or actual conflicts are addressed. While Boundary Creek seeks to resolve the conflicts in an impartial manner, there can be no assurance that Boundary Creek's own interests will not influence its conduct.

#### Dissolution Risks

Advisory Clients may be required to liquidate their investments pursuant to the liquidity rights of their investors. In the case of a dissolution of an Advisory Client, dissolution may require the selling of such Advisory Client's investments under circumstances which may negatively affect the Advisory Client's returns. Where an Advisory Client is liquidated pursuant to its dissolution provisions, this may also negatively affect the value of other Advisory Clients' investments and/or the circumstances of their disposition and accordingly the Advisory Clients' returns.

#### Cybersecurity and Systems Risks

Boundary Creek relies extensively on computer programs, networks, devices and systems (and may rely on new systems and technology in the future) in connection with the Advisory Clients' investment activities, including, without limitation, to trade, clear and settle securities transactions, to evaluate certain investments based on real-time information, to engage in automated trading, to monitor each Advisory Client's portfolio and net capital, and to generate risk management and other reports that are critical to oversight of each Advisory Client's activities. In addition, certain of the Advisory Clients', Boundary Creek's and their affiliates' operations interface with or depend on computer programs, networks, devices and systems operated by third-parties, service providers and market counterparties and their sub-custodians and other service providers, and Boundary Creek may not be in a position to verify the risks or reliability of such third-party systems. These programs and systems may be subject to certain defects, failures, interruptions or security breaches, including, but not limited to, those caused by

computer hacking, viruses, power failures and social engineering schemes such as “phishing.” Further, Boundary Creek’s systems or facilities may be susceptible to employee error or malfeasance, government surveillance, or other security threats.

Cybersecurity and information security breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. Boundary Creek’s operations are highly dependent on each of these systems and the successful operation of such systems is often out of Boundary Creek’s control. Any such defect, failure or breach could have a material adverse effect on the Advisory Clients, Boundary Creek and their affiliates. For example, systems failures, information security incidents or cybersecurity breaches could cause settlement of trades to fail, lead to inaccurate accounting, recording or processing of trades, and cause inaccurate reports, which may affect the ability of Boundary Creek to accurately monitor the Advisory Clients’ investment portfolios and risks. Cybersecurity breaches may cause (i) disruptions and impact business operations, potentially resulting in financial losses to the Advisory Clients; (ii) interference with Boundary Creek’s ability to calculate the value of an Advisory Client’s investment; (iii) impediments to trading; (iv) the inability of Boundary Creek and other service providers to transact business; (v) violations of applicable privacy and other laws; (vi) regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs; as well as (vii) the inadvertent release of confidential information. Similar adverse consequences could result from system failures and cybersecurity breaches affecting (i) issuers of securities in which the Advisory Clients invest; (ii) counterparties with which the Advisory Clients engage in transactions; (iii) governmental and other regulatory authorities; (iv) exchange and other financial market operators, banks, brokers, dealers, insurance companies, and other financial institutions; and (v) other parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

#### Political, Social and Economic Uncertainty Risk

Social, political, economic and other conditions and events (such as war, natural disasters, epidemics and pandemics, terrorism, other conflicts and social unrest) occur from time-to-time, and will likely continue to occur. Such events create uncertainty and have significant impacts on financial markets, exchanges, issuers, industries, governments, counterparties, service providers and other systems to which Advisory Clients and the instruments in which they invest are exposed. As global systems, economies and financial markets are increasingly interconnected, events that once had only local impact are now more likely to have regional or even global effects. Events that occur in one country, region or financial market will, more frequently, adversely impact issuers in other countries, regions or markets, including in established markets such as the United States. These impacts can be exacerbated by failures of governments and societies to adequately respond to an emerging event or threat.

The foregoing events and related uncertainty can result in or coincide with: increased volatility in the global financial markets; the imposition of sanctions, a decrease in the reliability of market prices and difficulty in valuing assets; greater fluctuations in currency exchange rates; increased risk of default (by government and private issuers, service providers and counterparties); inability to purchase and sell assets or otherwise settle transactions (e.g., a market freeze or disruption); substantial rates of inflation; recessions; depressions, difficulties in obtaining and/or enforcing legal judgments; further social, economic, and political instability (which can compound these effects); greater governmental and regulatory involvement in the economy, in financial markets or in social factors that impact the economy (e.g., the imposition of quarantines and/or travel restrictions).

For example, in response to Russia’s invasion of Ukraine, a number of countries, including the United States, the European Union, the United Kingdom and Canada, imposed trade and economic sanctions aimed at Russia as well as certain individuals and entities within Russia and Ukraine. New or expanded sanctions could be applied to an investor in, or an investment held by, an Advisory Client, which could

significantly impair the ability of the Advisory Client to continue its operations. Sanction regimes may generate market volatility or limit attractive investment opportunities, impacting the ability of Advisory Clients to pursue their investment objectives. Further, sanction regimes may force Advisory Clients to divest from investments previously made, prevent Advisory Clients from divesting from such investments indefinitely or lead to substantial reductions in the revenues, profits and value of companies in which Advisory Clients have invested. Although Boundary Creek takes steps to comply with applicable laws and regulations, a failure to successfully comply with applicable sanctions may expose Boundary Creek or Advisory Clients to significant legal and business consequences, including civil or criminal penalties, government investigations and reputational harm.

The instruments in which Advisory Clients invest could be significantly impacted by emerging events and uncertainty of this type, and Advisory Clients will be negatively impacted if the value of their portfolio holdings decreases as a result of such events and the uncertainty they cause. Advisory Clients will also be negatively affected if the operations and effectiveness of Boundary, Advisory Clients' counterparties or their key service providers are compromised or if necessary or beneficial systems and processes are disrupted.

#### Climate Change-Related Risks.

The environmental effects of climate change, including rising temperatures, extreme weather, fires, flooding, erratic weather fluctuations, agricultural failures and displacement and destabilization of human populations, could have materially adverse effects on the securities held by Advisory Clients. Boundary Creek believes that such risks may increase over time, although the time period over which these consequences might unfold is difficult to predict. In addition to the physical, economic and geo- political risks associated with climate change, there are transition risks. The willingness of certain governments, industries and businesses, especially those that profit from, or have a reliance on, fossil fuels, to adapt to climate change or transition to sustainable practices may also adversely affect investments held by Advisory Clients. Regulatory changes and divestment movements tied to concerns about climate change could adversely affect the value of certain industries whose activities or products are seen as accelerating climate change, or ill-positioned in light of the economic and social demands imposed by climate change.

#### Risks Related to Debt Investments and Other Debt-Like Investments

Investments in Debt Securities Generally. Advisory Clients may invest in debt securities and obligations which entail the typical credit risks (i.e., the risk of non-payment of interest and principal) and market risks (i.e., the risk that interest rates and other factors will cause the value of the instrument to decline).

Nature of Junior, Unsecured Investments. Advisory Clients may invest in debt instruments that are unsecured and subordinated to substantial amounts of senior indebtedness, all or a significant portion of which may be secured.

Sub-Investment Grade and Unrated Debt Obligations. Advisory Clients may make investments in instruments that may include capital leases or sub-investment grade debt obligations. Investments in the sub-investment grade categories are subject to greater risk of loss of principal and interest than higher-rated instruments and may be considered to be predominantly speculative with respect to the obligor's capacity to pay interest and repay principal. Such investments may also be considered to be subject to greater risk than those with higher ratings in the case of deterioration of general economic conditions.

High Yield Debt. Advisory Clients may invest in debt securities that may be classified as "higher-yielding" (and, therefore, higher-risk) debt securities. In most cases, such debt will be rated below "investment grade" or will be unrated and will face both ongoing uncertainties and exposure to adverse business, financial or economic conditions and the issuer's failure to make timely interest and principal payments.

*Distressed Securities.* Advisory Clients invest in distressed debt securities. Investments of this type may involve substantial financial and business risks that can result in significant or even total losses. Risks inherent in investments in financially troubled issuers include such issuers becoming subject to bankruptcy or reorganization proceedings, which may reduce or eliminate liquidity in the debt securities. Further, it is frequently difficult to obtain reliable information as to their true financial prospects. The market prices of distressed securities are subject to abrupt and erratic market movements and excessive price volatility, and the “bid-ask” spreads for such securities may be greater than normally expected.

*Pay-in-Kind Bonds.* Advisory Clients may invest in pay-in-kind, or PIK, bonds. PIK bonds are bonds which pay interest through the issuance of additional debt or equity securities. Similar to zero coupon obligations, pay-in-kind bonds also carry additional risk as holders of these types of securities realize no cash until the cash payment date unless a portion of such securities is sold and, if the issuer defaults, the Advisory Client may obtain no return at all on its investment.

*Interest Rate and Extension Risk.* The value of fixed rate debt and preferred stock securities can be expected to vary inversely with changes in prevailing interest rates. Fixed rate debt and preferred stock securities with longer maturities, which tend to produce higher yields, are subject to potentially greater capital appreciation and depreciation than securities with shorter maturities.

During periods of rising interest rates, the average life of certain fixed rate debt and preferred stock securities is extended because of slower than expected principal payments. This may lock in a below-market interest rate and extend the duration of these securities, especially mortgage-related securities, making them more sensitive to changes in interest rates. As a result, in a period of rising interest rates, these securities may exhibit additional volatility and additional loss in value. This is known as extension risk.

*Convertible Securities.* Advisory Clients may invest in convertible securities. A convertible security is a bond, debenture, note, preferred stock or other security that may be converted into or exchanged for a prescribed amount of common stock or other equity security of the same or a different issuer within a particular period of time at a specified price or formula. A convertible security entitles the holder to receive interest paid or accrued on debt or the dividend paid on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Before conversion, convertible securities have characteristics similar to non-convertible income securities in that they ordinarily provide a stable stream of income with generally higher yields than those of common stocks of the same or similar issuers, but lower yields than comparable nonconvertible securities. The value of a convertible security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the issuer and other factors also may have an effect on the convertible security’s investment value. Convertible securities rank senior to common stock in a corporation’s capital structure but are usually subordinated to comparable nonconvertible securities. Convertible securities may be subject to redemption at the option of the issuer at a price established in the convertible security’s governing instrument.

The value of convertible securities is influenced by both the yield on nonconvertible securities of comparable issuers and by the value of the underlying equity securities. The value of a convertible security viewed without regard to its conversion feature (i.e., strictly on the basis of its yield) is sometimes referred to as its “investment value.” To the extent interest rates change, the investment value of the convertible security typically will fluctuate. At the same time, however, the value of the convertible security will be influenced by its “conversion value,” which is the market value of the underlying equity securities that would be obtained if the convertible security were converted. Conversion value fluctuates directly with the price of the underlying equity securities. If the conversion value of a convertible security is substantially below its investment value, the price of the convertible security is governed principally by its investment value. To the extent the conversion value of a convertible security increases to a point that approximates or exceeds its investment value, the price of the convertible security will be influenced principally by its conversion value. A convertible security will sell at a premium over the conversion

value to the extent investors place value on the right to acquire the underlying common stock while holding a fixed income security.

Holders of convertible securities generally have a claim on the assets of the issuer prior to the common stockholders but may be subordinated to other debt of the same issuer. A convertible security may be subject to redemption at the option of the issuer at a price established in a charter provision, indenture or other governing instrument pursuant to which the convertible security was issued. Certain convertible debt securities may provide a put option to the holder, which entitles the holder to cause the security to be redeemed by the issuer at a premium over the stated principal amount of the debt security under certain circumstances.

*Preferred Stock.* Advisory Clients may make invest in preferred stock which may have characteristics of both debt and equity. Dividend payments to preferred stockholders may be suspended or cancelled if the issuer experiences liquidity difficulties and the principal paid for preferred stock is generally subordinate to the debt obligations of the issue. Preferred stocks are generally not entitled to meaningful covenant protection. Some preferred stocks may be non-cumulative, which means that the issuer does not ever have to declare or pay dividends on the stock or make up any missed dividends. Consequently, investments in preferred stock carries significant risk of loss of principal and current income.

Advisory Clients may also invest in leveraged loans, high yield securities and other unsecured investments, each of which involves a higher degree of risk than senior secured loans.

*Credit Ratings.* Credit ratings of assets represent the rating agencies' opinions regarding their credit quality and are not a guarantee of quality. A credit rating is not a recommendation to buy, sell or hold assets and may be subject to revision or withdrawal at any time by the assigning rating agency. In the event that a rating assigned to any corporate debt obligation is lowered for any reason, no party is obligated to provide any additional support or credit enhancement with respect to such corporate debt obligation.

*Prepayment Risk.* The value of Advisory Clients' assets may be affected by prepayment rates on loans. Pre-payment rates are influenced by changes in interest rates and a variety of economic, geographic and other factors beyond Boundary Creek's control.

*Lender Liability Considerations and Equitable Subordination.* Holders of debt securities may also be subject to so-called "lender liability" claims by the issuer of the obligations. Such claims may be deemed to arise when an institutional lender has assumed a duty to the borrower (whether implied or contractual) of good faith and fair dealing or has assumed a degree of control over the borrower resulting in the creation of a fiduciary duty to the borrower or the other creditors or shareholders of the borrower, and then violated such duty.

Under common law principles that, in certain circumstances, can form the basis for lender liability claims, if a lending institution (i) intentionally takes an action that results in the undercapitalization of a borrower to the detriment of other creditors of such borrower, (ii) engages in other inequitable conduct to the detriment of such other creditors, (iii) engages in fraud with respect to, or makes misrepresentations to, such other creditors, or (iv) uses its influence as a stockholder to dominate or control a borrower to the detriment of other creditors of such borrower, a court may elect to subordinate the claim of the offending lending institution to the claims of the disadvantaged creditor or creditors, a remedy called "equitable subordination." Because of the nature of certain of Advisory Clients' investments, such Advisory Clients could be subject to claims from creditors of an obligor that the Advisory Clients' investments issued by such obligor that are held by the Advisory Clients should be equitably subordinated because of actions by the Advisory Clients that are deemed to be inequitable to other creditors.

#### Risks in Effecting Operating Improvements

In some cases, the success of Boundary Creek's investment strategy depends, in part, on the ability of Boundary Creek to restructure and effect improvements in the operations of a company. The activity of identifying and implementing restructuring programs and operating improvements at companies entails a high degree of uncertainty. There can be no assurance that Boundary Creek will be able to successfully identify and implement such restructuring programs and improvements.

#### Control Position Risk

Advisory Clients may acquire control or exercise influence over management and the strategic direction of a company. The exercise of control over a company imposes additional risks of liability in circumstances where the limited liability characteristic of business operations of the company may be ignored. In a U.S. court ruling, the court held that a private equity fund was liable for the pension withdrawal liabilities of one of its companies because the private equity fund was engaged in a "trade or business" through its management and operational control of its company. Thus, the exercise of control over a company by Advisory Clients could expose the assets of the Advisory Clients to claims by such company and/or its executives, employees, pension beneficiaries, security holders and creditors and liability for environmental damage or clean-up obligations, product defects, failure to supervise management, pension and other fringe benefits, violation of laws and governmental regulations (including securities laws), violation of fiduciary duties to minority owners and other types of liability.

#### Expedited Transactions

Investment analyses and decisions by Boundary Creek may be undertaken on an expedited basis in order for Advisory Clients to take advantage of investment opportunities. In such cases, the information available to Advisory Clients at the time of an investment decision may be limited, and the Advisory Clients may not have access to the detailed information necessary for a full evaluation of the investment opportunity.

#### Distributions in Kind

Although, under normal circumstances, Advisory Clients make distributions in cash, cash equivalents or marketable securities, it is possible that under certain circumstances (including upon the dissolution of such Advisory Clients) distributions may be made in kind and could consist of securities for which there is no readily available public market.

#### Reinvestment

Under certain circumstances as further described in the offering document of Advisory Clients, certain proceeds distributable (or previously distributed) to the investors may be retained and reinvested (or recalled for reinvestment) by the Advisory Client or used (or recalled for use) by the Advisory Client for any other proper purpose. Amounts available for recall will be restored to the investors' respective unfunded capital commitments. Accordingly, an investor may be required to fund for investments or expenses during the term of the Advisory client in an aggregate amount that significantly exceeds its capital commitment.

#### Risks upon Dispositions of Investments

In connection with the disposition of an investment in a company, Advisory Clients may be required to make representations about the business and financial affairs of itself or such company typical of those made in connection with the sale of a business. It may also be required to indemnify the purchasers of such investment to the extent that any such representation turns out to be inaccurate. These arrangements may result in contingent liabilities of such Advisory Clients, which might ultimately have to be funded by the investors (either out of unfunded capital commitments or a return of distributions) to the extent that such contingent liabilities exceed the reserves and other assets of such Advisory Client.

### Recourse to the Advisory Clients' Assets

Advisory Clients' assets are available to satisfy all liabilities and other obligations of any such Advisory Client. If the Advisory Client itself becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to the Advisory Client's assets generally and not be limited to any particular asset, such as the investment giving rise to the liability.

### Follow-On Investments

Following its initial investment in a given company, an Advisory Client may decide to invest additional funds in such company. There is no assurance that the Advisory Client will make follow-on investments or that the Advisory Client will have sufficient funds to make all or any of such investments. Any decision by Boundary Creek not to make follow-on investments or its inability to make such investments may have a substantial negative effect on its initial investment in such company or may result in a lost opportunity for the Advisory Client to increase its participation in a successful operation.

### Difficulty in Valuing Investment Portfolio

Boundary Creek values the investments of Advisory Clients from time-to-time at their fair market values. Any assets that are publicly traded securities for which market prices are readily available will be valued based on their trading prices; however, for illiquid or less liquid investments, there will likely be no public market for its securities. Thus, the valuation of such positions inherently is highly subjective and imprecise and requires the use of techniques that are costly and time consuming and ultimately provide no more than an estimate of value.

Financial Institution Risk. Events involving reduced or limited liquidity, defaults, non-performance or other adverse developments that affect financial institutions or other companies in the financial services industry, including banks and other custodians of an Advisory Client's funds and securities, or impact the financial services industry generally, as well as concerns or rumors about any events of these kinds, have in the past and may in the future lead to market-wide liquidity problems, defaults on financial obligations, non-performance of contractual obligations and other adverse impacts on these financial institutions, investors that deposit funds and securities at these institutions, lenders and borrowers of these institutions, and other companies in the financial services industry. Investor concerns regarding the U.S. or international financial systems could result in less favorable commercial financing terms, including higher interest rates or costs and tighter financial and operating covenants, or systemic limitations on access to credit and liquidity sources, thereby making it more difficult to acquire financing on acceptable terms or at all. Any decline in available funding or access to cash and liquidity resources could, among other risks, adversely impact the ability of Advisory Clients to satisfy financial obligations, liquidate portfolio holdings, withdraw capital or fulfill other obligations, or result in breaches of financial and/or contractual obligations. Any of these impacts, or any other impacts resulting from the factors described above or other related or similar factors not described above, could have material adverse impacts on portfolio holdings, Advisory Client performance or business operations.

### Nature of Real Estate Investments Generally.

Boundary Creek's Advisory Clients may make direct or indirect investments in real estate or real-estate related business and assets. Such investments will be subject to the risks inherent in the ownership and operation of real estate and real estate-related businesses and assets. The real estate industry is cyclical in nature, and a deterioration of real estate fundamentals may negatively impact the performance of Boundary Creek's Advisory Clients. Additional risks include, but are not limited to, those associated with the burdens of ownership of real property, general and local economic conditions, changes in environmental and zoning laws, uninsured or uninsurable losses, regulatory limitations on rents, decreases in property values, changes in tenant demand, changes in supply of and demand for competing properties in a particular area, changes in housing policy, the financial resources of tenants, changes in availability of debt financing which may render the sale or refinancing of properties difficult or

impracticable, changes in building and similar laws, energy and supply shortages, terrorist attacks, war, severe weather patterns, natural disasters and other “acts of God”, changes in real property tax rates and operating expenses, changes in interest rates, and the availability of mortgage funds, which may render the sale or refinancing of properties difficult or impracticable, increased mortgage defaults, Increases in borrowing rates, environmental liabilities, contingent liabilities on disposition of assets, and other factors that are beyond the control of Boundary Creek. Most of such investments will be difficult to value, and if Boundary Creek’s opinion as to the value of such an investment is incorrect or not shared by other market participants, Boundary Creek’s Advisory Clients’ returns will be adversely affected.

*Advisory Client investors and prospective investors in Advisory Clients are generally provided with a confidential private placement memorandum or other offering documents of the respective Advisory Client that provide a detailed description of the material risks related to an investment in the Advisory Client. Such investors are advised to review carefully all risk factors set forth in such documents.*

**C. If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.**

Notwithstanding the emphasis intended by references to Boundary Creek below, the following risks in this Item 8.C generally apply to the Advisory Clients of Boundary Creek.

Fixed Income Obligations

An Advisory Client’s investments in fixed income obligations are subject to the risk of an issuer’s ability to meet principal and interest payments on the obligation (credit risk) and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (market risk). Changes in interest rates may cause a decline in the market value of an investment. With bonds and other fixed income securities, a rise in interest rates typically causes a fall in values, while a fall in interest rates typically causes a rise in values. Bonds and other fixed income securities generally involve less market risk than stocks. However, the risk of bonds can vary significantly depending upon factors such as the issuer and maturity. For example, the issuer of a security or the counterparty to a contract may default or otherwise become unable to honor a financial obligation. The bonds of some companies may be riskier than the stocks of others.

Foreign Securities

Advisory Clients invest in securities and other instruments of foreign corporations and foreign countries. Investing in such securities involves certain considerations not usually associated with investing in securities of U.S. companies or the U.S. government, including, among other things: political and economic considerations, such as greater risks of expropriation, nationalization and general social, political and economic instability; the smaller size of the securities markets in such countries and the lower volume of trading, resulting in potential lack of liquidity and in price volatility; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; imposition of withholdings and other taxes; and certain government policies that may restrict the Advisory Client’s investment opportunities. In addition, accounting and financial reporting standards that prevail in many foreign countries are not equivalent to U.S. standards and, consequently, less information may be available to investors in companies located in foreign countries than is available to investors in companies located in the U.S. There is also less regulation, generally, of the securities markets in many foreign countries, even developed countries, than in the U.S.

Collateralized Loan Obligations

Advisory Clients invest in collateralized loan obligations (“CLO Investments”) through purchases in the primary or the secondary market. The CLO Investments into which Advisory Clients invest are

principally collateralized by senior secured assets. CLO Investments are subject to various risks including the following credit, liquidity, interest rate and other risks. Advisory Clients' investment in CLOs involves significant leverage, which could result in a substantial loss to the investor in the CLO. The value of the CLO Investments owned by Advisory Clients generally will fluctuate with, among other things, the financial condition of the obligors or issuers of the underlying portfolio of assets of the related CLO ("CLO Collateral"), market conditions, general economic conditions, the condition of certain financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates. Under certain circumstances, cash flows from CLO Collateral that otherwise would have been paid to the holders of its mezzanine CLO debt and the related CLO equity will be used to redeem the related CLO senior tranches. This could result in an elimination, deferral or reduction in the interest payments, principal repayments or other payments made to the holders of such CLO debt, which are the CLO Investments in which Advisory Clients will invest, which could adversely impact the returns to Advisory Clients. An optional redemption by a CLO of its notes could require the collateral or portfolio manager of the related CLO to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the realized value of the items of CLO Collateral sold (and which in turn could adversely impact the holders of any related CLO equity securities, including Advisory Clients). The prices of the CLO Collateral are highly volatile. Price movements are influenced by, among other things: changing supply and demand relationships; trade, fiscal, monetary and exchange control programs and policies of governments; U.S. and foreign political events and policies; changes in national and/or international interest rates and rates of inflation; currency devaluations and revaluations, and market sentiments.

### Structured Credit Products

Advisory Clients invest in structured credit products, including, collateralized debt obligations, synthetic credit portfolio transactions and asset- and mortgage-backed securities. Interest and principal payments of structured credit products are derived from underlying assets and receivables, and there can be no assurance as to the timing and amount of such payments. Synthetic portfolio transactions may be structured with two or more classes of tranches that receive different proportions of the interest and principal distributions on a pool of credit assets. The yield to maturity of a tranche may be extremely sensitive to the rate of defaults in the underlying reference portfolio. A rapid change in the rate of defaults may have a material adverse effect on the yield to maturity. It is therefore possible that Advisory Clients may incur losses on its investments in structured products regardless of their ratings by S&P or Moody's. Additionally, structured credit products are typically subject to legal or contractual restrictions on their resale and there is often a relatively inactive trading market. Securities subject to resale restrictions may sell at a price lower than similar securities that are not subject to such restrictions.

The governing documents for structured credit products may establish highly complex structures, with payments allocated according to complicated procedures to various classes of securities and with varying forms of credit enhancement. There is a risk that such governing documents may contain ambiguous terms, which may delay receipt of payments. Certain structured credit products are be subject to interest rate mismatches, if liabilities are fixed-rate and receivables bear interest at a floating rate, or vice versa. Further structured credit products are subject to credit risk. Advisory Clients may invest in subordinate classes of structured credit products, which classes will be allocated losses prior to more senior classes and which may allow for the deferral of certain payments. Further, as a result of investing in structured credit products, investors in Advisory Clients may incur a duplication of fees and commissions (such as additional management fees, servicing fees, performance fees and all other custody and transaction fees, central administration fees and audit fees payable by investors in structured credit products).

### Convertible Securities

Advisory Clients invest in convertible securities. Convertible securities provide higher yields than the underlying equity securities, but generally offer lower yields than non-convertible securities of similar quality. The value of convertible securities fluctuates, as do bonds, in relation to changes in interest rates

and, in addition, fluctuates in relation to the underlying common stock.

### Derivatives

Advisory Clients invest in derivative financial instruments. Derivative financial instruments include futures, options, interest rate swaps, forward currency contracts and credit derivatives such as credit default swaps. In addition, Advisory Clients from time-to-time utilize both exchange-traded and over-the-counter futures, options and contracts for differences, as part of its investment strategy and for hedging purposes, as well as other derivatives. Regulatory restraints may restrict the instruments that an Advisory Client may trade. Such derivative instruments are highly volatile, involve certain special risks and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further losses exceeding any margin deposited. Further, when used for hedging purposes there may be an imperfect correlation between these instruments and the investments or market sectors being hedged.

The trading of over-the-counter derivatives subjects an Advisory Client to a variety of risks including: (i) counterparty risk, (ii) basis risk, (iii) interest rate risk, (iv) settlement risk, (v) legal risk, and (vi) operational risk. Counterparty risk is the risk that one of an Advisory Client's counterparties might default on its obligation to pay or perform generally on its obligations. Basis risk is the risk that the normal relationship between two prices might move in opposite directions. Interest rate risk is the general risk associated with movements in interest rates. Settlement risk is the risk that a settlement in a transfer system does not take place as expected. Legal risk is the risk that a transaction proves unenforceable in law or because it has been inadequately documented. Operational risk is the risk of unexpected losses arising from deficiencies in a firm's management information, support and control systems and procedures. Transactions in over-the-counter derivatives may involve other risks as well, as there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk.

### Options

Advisory Clients engage in the trading of options. Such trading involves risks substantially similar to those involved in trading margined securities in that options are speculative and highly leveraged. Specific market movements of the securities underlying an option cannot accurately be predicted. The purchaser of an option is subject to the risk of losing the entire purchase price of the option. The writer of an option is subject to the risk of loss resulting from the difference between the premium received for the option and the price of the security underlying the option which the writer must purchase or deliver upon exercise of the option.

### Debt Securities

Advisory Clients invest in unrated or low-rated debt securities which are subject to greater risk of loss of principal and interest than higher-rated debt securities. Advisory Clients invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. Advisory Clients invest in debt securities which are not protected by financial covenants or limitations on additional indebtedness. Lower-rated or unrated securities are more likely to react to developments affecting market and credit risk than are more highly rated securities, which primarily react to movements in the general level of interest rates. Investors should be aware that ratings are relative and subjective and are not absolute standards of quality. Subsequent to its purchase by an Advisory Client, an issue of securities may cease to be rated or its rating may be reduced. Neither event will require sale of such securities by an Advisory Client, although Boundary Creek will consider such event in its determination of whether an Advisory Client should continue to hold the securities. The market value of securities in lower-rated categories is more

volatile than that of higher quality securities. In addition, an Advisory Client may have difficulty disposing of certain of these securities because there may be a thin trading market. The lack of a liquid secondary market for certain securities may have an adverse impact on an Advisory Client's ability to dispose of such securities and may make it more difficult for an Advisory Client to obtain accurate market quotations for purposes of valuing the Advisory Client and calculating its net asset value.

### Loan Participations and Assignments

Advisory Clients invest in fixed- and floating-rate loans, which investments generally are in the form of loan participations and assignments of portions of such loans. Participations and assignments involve credit risk, interest rate risk, liquidity risk, and the risks of being a lender. Participations in loans may be secured or unsecured. Loan participations typically represent direct participation in a loan to a corporate borrower, and generally are offered by banks, other financial institutions, or lending syndicates. Advisory Clients invest in funded loans through participations and assignments. When purchasing loan participations, an Advisory Client assumes the credit risk associated with the corporate borrower and may assume the credit risk associated with an interposed bank or other financial intermediary, and may only be able to enforce its rights through the lender, and may assume the credit risk of the lender in addition to the borrower. The participation interests in which an Advisory Client invests may not be rated by any nationally recognized rating service.

Investments in loans through a direct assignment of a financial institution's interests with respect to the loan may involve additional risks to an Advisory Client. For example, if a loan is foreclosed, an Advisory Client could become part owner of any collateral, and would bear the costs and liabilities associated with owning and disposing of the collateral. In addition, it is possible that, under emerging legal theories of lender liability, an Advisory Client could be held liable as a co-lender. It is unclear whether loans and other forms of direct indebtedness offer securities laws protections against fraud and misrepresentation. In the absence of definitive regulatory guidance, an Advisory Client relies on Boundary Creek's research in an attempt to avoid situations where fraud or misrepresentation could adversely affect the Advisory Client.

### Equity Investments

From time-to-time, an Advisory Client's investment portfolio will include long and short positions in equity securities of U.S. and non-U.S. listed companies. Equity securities fluctuate in value in response to many factors, including, among others, the activities and financial condition of individual companies, the business market in which individual companies compete, industry market conditions, interest rates and general economic environments. In addition, events such as the domestic and international political environments, terrorism, pandemics and natural disasters, may be unforeseeable and contribute to market volatility in ways that may adversely affect the Advisory Clients.

From time-to-time, Advisory Clients acquire (i) more than 5% of a class of securities of a single issuer which would require the filing of a Schedule 13D or 13G statement with the SEC or (ii) more than 10% of a class of securities of a single issuer which would impose certain limitations on the Advisory Clients' ability to trade in such securities, including the restrictions of Section 16 of the Securities Exchange Act of 1934, as amended ("Section 16") (e.g., the requirement to disgorge any profits made from any purchase and sale (or sale and purchase) of such securities within any 6-month period ("Section 16 short swing profit restrictions"). The accumulation of such a significant position in the shares of a single issuer could lead to litigation or disputes in the event Boundary Creek desires to influence the issuer. Such litigation or dispute may result in substantial expense to an affected Advisory Client. In addition, from time-to-time, senior personnel of Boundary Creek serve on the board of directors of one or more companies in which Advisory Clients invest or on the board of directors of one or more companies in which Advisory Clients are not currently invested but which could be suitable as an investment for such Advisory Clients in the future. As a result, Boundary Creek will obtain access to material nonpublic information affecting such companies, which may preclude Advisory Clients from acquiring shares or selling its position at a time

when Boundary Creek otherwise believes it would be appropriate to do so. Such board membership could cause Advisory Clients to be deemed “insiders” by deputization and therefore to become subject to the trading restrictions of Section 16, including the Section 16 short swing profit restrictions. Moreover, Advisory Clients’ ability to realize value from certain of its investments may depend upon the ability of Boundary Creek to influence the management of a company to take certain actions, including, for example, a recapitalization, restructuring, spin off, sale of the business or change in management. If Boundary Creek is incorrect in its assessment of the impact such action will have on the value of a company, or if it is unsuccessful in persuading the company’s management to take the desired action, an affected Advisory Client may sustain a loss on its investment in the company.

#### Structural Subordination of Equity Interests

Advisory Clients hold equity interests in IVs, in some cases alongside other Advisory Clients or third party investors. In connection with such investments, the equity interests held by an Advisory Client may not be secured by the assets of the IVs, and such an Advisory Client will rank behind all known or unknown creditors, whether secured or unsecured, of the IVs. No person or entity other than the IV will be required to make any distributions on the equity interests, and payments from the IV on its common or preferred shares or other equity interests will be subordinate to payments on its debt. Therefore, to the extent that any losses are incurred by the IV in respect of any collateral, such losses will be borne first by the invested Advisory Client and its co-investors as holders of common or preferred shares or other equity interests.

#### Cross-Class Liabilities in Connection with Equity Investments

Advisory Clients invest in IVs alongside other Advisory Clients or third party investors, where such investors hold different classes or series of equity interests that correspond to separate underlying investments. However, in most cases, the IV will be a single legal entity and there will be no limited recourse protection for any class or series. Accordingly, all of the assets of the IV will be available to meet all of its liabilities regardless of the class or series to which such assets or liabilities are attributable. In practice, cross-class or cross-series liability is only expected to arise where liabilities referable to one class or series are in excess of the assets referable to such class or series and it is unable to meet all liabilities attributed to it. In such a case, the assets of the IV attributable to other classes or series may be applied to cover such liability excess and the value of the contributing classes or series will be reduced as a result.

#### Risk of Early-Stage Companies

Advisory Clients invest in companies at an early stage of development, which involves a high degree of business and financial risk. Early-stage companies with little or no operating history may require substantial additional capital to support expansion or to achieve or maintain a competitive position, may produce substantial variations in operating results from period to period or may operate at a loss. Such companies may face intense competition, including competition from companies with greater financial resources, more extensive development, marketing and service capabilities, and a larger number of qualified management and technical personnel. Such risks may adversely affect the performance of such investments and result in substantial losses.

*Advisory Client investors and prospective investors in Advisory Clients are generally provided with a confidential private placement memorandum or other offering documents of the respective Advisory Client that provide a detailed description of the material risks related to an investment in the Advisory Client. Such investors are advised to review carefully all risk factors set forth in such documents.*

**Item 9 – Disciplinary Information**

**If there are legal or disciplinary events that are material to a *client's* or prospective *client's* evaluation of your advisory business or the integrity of your management, disclose all material facts regarding those events.**

Neither Boundary Creek nor any of its officers, directors, or employees or other management persons have been involved in any legal or disciplinary events that would require disclosure in response to this item.

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

**A. If you or any of your *management persons* are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.**

Neither Boundary Creek 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. If you or any of your *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, disclose this fact.**

Boundary Creek is registered with the Commodity Futures Trading Commission (“CFTC”) as a commodity pool operator and is a member of the National Futures Association (“NFA”). Boundary Creek London is registered as a commodity trading advisor (“CTA”) with the CFTC and is a member of the NFA. In connection with the CFTC registration and NFA membership of Boundary Creek and Boundary Creek London, certain employees of such entities are listed and/or registered, as appropriate, with the NFA as principals and/or associated persons of such entities and their affiliates.

**C. Describe any relationship or arrangement that is material to your advisory business or to your *clients* that you or any of your *management persons* have with any *related person* listed below. Identify the *related person* and if the relationship or arrangement creates a material conflict of interest with *clients*, describe the nature of the conflict and how you address it.**

- 1. broker-dealer, municipal securities dealer, or government securities dealer or broker**
- 2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)**
- 3. other investment adviser or financial planner**
- 4. futures commission merchant, commodity pool operator, or commodity trading advisor**
- 5. banking or thrift institution**
- 6. accountant or accounting firm**
- 7. lawyer or law firm**
- 8. insurance company or agency**
- 9. pension consultant**
- 10. real estate broker or dealer**
- 11. sponsor or syndicator of limited partnerships.**

The general partner of Boundary Creek (or its affiliate) also serves as the general partner of Fund Clients organized as limited partnerships. Additionally, Boundary Creek personnel serve on the board of directors of Fund Clients organized as companies and the governance boards of the general partners of Fund Clients organized as limited partnerships.

Boundary Creek’s affiliates, principals, partners and employees from time-to-time purchase interests in certain Fund Clients, and investments by such parties generally are not subject to the management fees or performance-based compensation described in Item 5, above. The offering memorandum of each Fund Client that is provided to each potential investor discloses this fact.

Boundary Creek London, an affiliate of Boundary Creek, serves as an adviser to Boundary Creek, primarily with respect to issuers based in Europe, and is compensated by Boundary Creek for its services. Boundary Creek London is registered with the Financial Conduct Authority and is also registered as a CTA with the CFTC and is a member of the NFA.

Boundary Creek London is a Relying Adviser. The Relying Adviser, the Relying Adviser’s employees and other persons acting on the Relying Adviser’s behalf (the “Relying Adviser Parties”), are under

Boundary Creek's supervision and control. The Relying Adviser's books and records relating to its advisory business will be made available to the SEC, and the Relying Adviser Parties are subject to, and comply with, the compliance policies and procedures of Boundary Creek. The Relying Adviser is identified as a "relying adviser" on Boundary Creek's Form ADV Part 1 and is not, and is not required to be, independently registered as an investment adviser under the Advisers Act. Boundary Creek does not consider its relationship with the Relying Adviser to create a material conflict of interest with Advisory Clients.

Boundary Creek is led by Peter Greatrex in his capacity as Chief Executive Officer and Chief Investment Officer of Boundary Creek.

**D. If you recommend or select other investment advisers for your *clients* and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.**

Not applicable.

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

**A. If you are an SEC-registered adviser, briefly describe your code of ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your code of ethics to any *client* or prospective *client* upon request.**

Boundary Creek has established a variety of restrictions, procedures and disclosures designed to address potential conflicts of interest arising between and among Advisory Clients as well as between Advisory Clients and Boundary Creek and its personnel.

Boundary Creek strives to adhere to the highest industry standards of integrity, professionalism and trust. To this end, Boundary Creek has adopted a Code of Ethics (the “Code”) that generally requires Boundary Creek employees to comply with all applicable federal securities laws, place the interests of Advisory Clients first, avoid conflicts of interest, not take inappropriate advantage of the employee’s position, adhere to certain restrictions with respect to the receipt and giving of gifts and safeguard confidential information. Each employee is required to report to Boundary Creek’s Chief Compliance Officer any known or suspected violations of the Code or law.

Each newly hired employee receives a copy of the Code and is required to certify that they have read and understand it. Training is provided for employees with respect to the Code and their duties under it. On an annual basis, each Boundary Creek employee must certify that they have read and understand the Code, has complied with its provisions and has disclosed, pre-cleared and arranged for the reporting of all transactions in securities consistent with the requirements of the Code. The Code governs the conduct of Boundary Creek, the Relying Adviser, and their respective personnel; therefore, notwithstanding the fact that this description of the Code (as well as the description of the compliance program generally) references Boundary Creek, the Code applies to all of such persons in a similar fashion.

### **Personal Trading**

The Code places restrictions on the personal trading of employees, including the requirement that employees arrange to have duplicates of certain brokerage statements or a quarterly holdings report provided to Boundary Creek. Boundary Creek’s Chief Compliance Officer (or his designee) reviews and compares all reported personal securities transactions against transactions indicated on the employee’s brokerage statements or holdings reports in an effort to ensure that personal trading by employees is being conducted in a manner consistent with the Code. Except with respect to certain exempted transactions, no Boundary Creek employee may purchase or sell any security without first obtaining pre-clearance pursuant to the approval process set forth in the Code. Certain pre-clearance requests meeting the standards set forth in the Code will generally be approved on the day of such request or the business day following such request. Each employee may submit no more than twenty pre-clearance requests per calendar month; once an employee has submitted the maximum number of pre-clearance requests, typically no further requests will be accepted from that individual until the following calendar month. Any approved request is subject to certain restrictions on the timing of execution. In addition, Boundary Creek enforces a 30-day minimum holding period for personal securities transactions that are subject to the pre-clearance requirement.

The Code governs the conduct of Boundary Creek, Boundary Creek London and their respective personnel. We will provide a copy of our Code to our investors, or any prospective investor, upon request.

### **Insider Trading/Material Non-Public Information; Privacy**

Boundary Creek maintains an Insider Trading Policy that includes policies and procedures regarding the receipt and dissemination of material non-public information that are designed to prevent the misuse of material non-public information by Boundary Creek and its officers, partners and employees. In accordance with these policies, to prevent trading of public securities based on material non-public information, Boundary Creek maintains, regularly updates and makes available via email and via its order management system a “restricted” securities list of companies about which non-compliance employees

have, or are expected to have, material non-public information.

Boundary Creek has a separate information security policy designed to protect the security, confidentiality, and integrity of non-public, personal information of its clients and investors in such clients.

### **Political Contributions**

Boundary Creek has policies in effect which place limitations on political contributions and related activities by its employees. In order to ensure compliance with applicable SEC rules and other applicable legal and regulatory requirements, all Boundary Creek employees must obtain pre-clearance from the Chief Compliance Officer before any employee makes a contribution to a political candidate, government official, political party or political action committee.

*Boundary Creek will provide a complete copy of the Code to any investor in or prospective investor in an Advisory Client upon request. Such requests may be addressed to David O'Mara, Chief Compliance Officer, at 212-503-6260 and/or legalnotices@boundarycreek.com.*

**B. If you or a *related person* recommends to *clients*, or buys or sells for *client* accounts, securities in which you or a *related person* has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.**

**Examples: (1) You or a *related person*, as principal, buys securities from (or sells securities to) your *clients*; (2) you or a *related person* acts as general partner in a partnership in which you solicit *client* investments; or (3) you or a *related person* acts as an investment adviser to an investment company that you recommend to *clients*.**

As described above in Item 10, Boundary Creek serves as the investment manager to its Advisory Clients, and its related person serves, directly or through a wholly owned subsidiary, as general partner of Advisory Clients organized as limited partnerships. With respect to each Advisory Client organized as a company, Boundary Creek personnel typically serve on the board of directors of such company.

Boundary Creek may from time-to-time recommend that certain of its Advisory Clients invest a portion of their investable assets in other Advisory Clients, typically in connection with a master-feeder (or mini-master) fund structure. Such arrangements are described in the offering memoranda or other governing documents of Advisory Clients. Boundary Creek and its related persons also recommend interests in Advisory Clients to prospective investors.

From time-to-time, Boundary Creek causes an Advisory Client to buy or sell securities directly from or to another Advisory Client. With respect to any such transaction (i) the transaction must be effected at a price that is fair to Advisory Clients on both sides of the trade, (ii) neither Boundary Creek nor any of its affiliates may receive any compensation for effecting the trade and (iii) the trade must be in the best interests of both Advisory Clients.

Boundary Creek's principals, employees or other related persons from time-to-time purchase interests in one or more Fund Clients and such investments generally are not subject to the management fees or performance-based compensation described above in Item 5. The offering memorandum of the applicable Fund Client provided to each potential investor discloses this fact.

Boundary Creek generally does not engage in principal transactions (i.e., transactions where an adviser, acting as principal for its own account or the account of an affiliate deemed proprietary to Boundary Creek, buys from or sells any security to a client's account). However, under certain circumstances, a cross trade with a fund in which Boundary Creek and/or its controlling persons hold in excess of 25% of the interests may be deemed to be a principal transaction under Section 206(3) of the Advisers Act. The Chief Compliance Officer (or his designee) may approve such deemed principal transactions provided

that any such transaction is effected in compliance with Section 206(3) of the Advisers Act. With respect to any such transaction, prior to its completion, Boundary Creek must disclose to the client in writing the capacity in which Boundary Creek is acting (and any other requisite disclosures pursuant to Section 206(3) of the Advisers Act) and obtain the client's consent to the transaction. In cases where the client is an Advisory Client, such disclosure may be made to, and consent to the transaction may be obtained from, (i) the board of directors or board of managers of the Advisory Client (or general partner of the Fund Client), as applicable, provided that (a) the applicable board includes one or more members who are independent of Boundary Creek, and (b) the consent of the board includes the unanimous consent of all such independent members; or (ii) if the Advisory Client does not have a board of directors or board of managers, an independent third-party and/or advisory committee made up of certain investors in such Advisory Client (or the representatives of such investors). It is Boundary Creek's policy that it will not effect any agency cross transactions for client accounts.

The fact that Boundary Creek's related persons, in their capacities as general partners of certain Advisory Clients, and Boundary Creek's principals, employees and other related persons have financial ownership interests in Advisory Clients creates a potential conflict in that it could cause Boundary Creek to make different investment decisions than it would if such parties did not have such financial ownership interests. Boundary Creek may have an incentive to favor accounts in which such persons have an interest with respect to trading opportunities, trade allocation and allocation of investment opportunities.

Subject to the personal securities transaction pre-clearance and reporting requirements generally described in Item 11.A, Boundary Creek personnel and access persons (as defined in the Advisers Act) may make or hold investments in some of the same investments that are held or traded by Advisory Clients. In addition, certain personnel may trade in individual securities and instruments that they or that other personnel trade on behalf of Advisory Clients. Consequently, there is a possibility that such persons (i) might benefit from market activity by the Advisory Clients in respect of positions they both hold and (ii) may hold positions in their personal accounts potentially in conflict with positions held by Advisory Clients. Boundary Creek has adopted policies and procedures (including personal trading policies described below) that are guided by the principle that Boundary Creek has fiduciary duties and obligations to its Advisory Clients and aims to effect this principle by establishing a process by which access persons can trade for their personal accounts in a manner that is not inconsistent with Boundary Creek's fiduciary duties to its clients.

Additional conflicts are present in connection with the receipt by Boundary Creek or an affiliate of management fees and performance-based compensation. Except inasmuch as performance affects asset size and thus the amount of the management fee, management fees are payable without regard to the overall success or income earned by Advisory Clients and therefore may create an incentive on the part of Boundary Creek to raise or otherwise increase assets under management to a higher level than would be the case if Boundary Creek were receiving a lower or no management fee. Performance-based compensation also creates certain inherent conflicts of interest with respect to Boundary Creek's management of assets. Specifically, Boundary Creek's entitlement to performance-based compensation in managing one or more accounts may create an incentive for it to make investments that are riskier or more speculative than would be the case in the absence of such performance-based compensation.

**C. If you or a *related person* invests in the same securities (or related securities, e.g., warrants, options or futures) that you or a *related person* recommends to *clients*, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.**

Please refer to Items 11.A and 11.B.

**D. If you or a *related person* recommends securities to *clients*, or buys or sells securities for *client* accounts, at or about the same time that you or a *related person* buys or sells the same securities for your own (or the *related person's* own) account, describe your practice and discuss the conflicts of**

**interest it presents. Describe generally how you address conflicts that arise.**

Please refer to Items 11.A and 11.B.

## **Item 12 – Brokerage Practices**

**A. Describe the factors that you consider in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (e.g., commissions).**

**1. Research and Other Soft Dollar Benefits. If you receive research or other products or services other than execution from a broker-dealer or a third party in connection with *client* securities transactions (“soft dollar benefits”), disclose your practices and discuss the conflicts of interest they create.**

**a. Explain that when you use *client* brokerage commissions (or markups or markdowns) to obtain research or other products or services, you receive a benefit because you do not have to produce or pay for the research, products or services.**

**b. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving the research or other products or services, rather than on your *clients’* interest in receiving most favorable execution.**

**c. If you may cause *clients* to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up), disclose this fact.**

**d. Disclose whether you use soft dollar benefits to service all of your *clients’* accounts or only those that paid for the benefits. Disclose whether you seek to allocate soft dollar benefits to *client* accounts proportionately to the soft dollar credits the accounts generate.**

**e. Describe the types of products and services you or any of your *related persons* acquired with *client* brokerage commissions (or markups or markdowns) within your last fiscal year.**

**f. Explain the procedures you used during your last fiscal year to direct client transactions to a particular broker-dealer in return for soft dollar benefits you received.**

Boundary Creek has authority for selecting the broker-dealer used in each transaction for Advisory Clients and for negotiating the fees to be paid to the broker-dealer in connection with such transactions. In choosing brokers and dealers, Boundary Creek is not required to consider any particular criteria. Generally, Boundary Creek seeks the best combination of brokerage expenses and execution quality but, as discussed below, Boundary Creek is not required to select the broker or dealer that charges the lowest transaction cost, even if that broker provides execution quality comparable to other brokers or dealers. In evaluating “execution quality,” historical net prices (after markups, markdowns or other transaction-related compensation) on other transactions are a principal factor, but other factors are also relevant, including: the execution, clearance, and settlement and error correction capabilities of the broker or dealer generally and in connection with securities of the type and in the amounts to be bought or sold; the broker’s or dealer’s willingness to commit capital; reliability, responsiveness and financial stability of the broker-dealer; the size of the transaction; availability of securities to borrow for short sales; and the market for the security. In addition to execution quality, Boundary Creek may consider whether a broker or dealer may provide access to management of companies in which Boundary Creek has invested or is considering investing on behalf of its clients, though such considerations are not typically a part of Boundary Creek’s selection process. Advisory Clients may pay commissions to such firms in an amount greater than the amount another firm might charge.

In addition to execution quality and access to management, Boundary Creek may consider the value of various research products or services, beyond execution, that a broker-dealer provides to Advisory Clients or Boundary Creek. Selecting a broker-dealer in recognition of such other services or products is known as paying for those services or products with “soft dollars.” Because such research products or services

could benefit Boundary Creek or its affiliates, Boundary Creek may have a conflict of interest in allocating Advisory Client brokerage business. Boundary Creek currently maintains no formalized “soft dollar” arrangements with broker-dealers but may do so in the future. With respect to any research products or services Boundary Creek may receive from broker-dealers, and in the event that Boundary Creek enters into any formalized “soft dollar” arrangements, Boundary Creek intends to keep the use of “soft dollars” within the parameters of Section 28(e) of the Securities Exchange Act of 1934. Research that is received by Boundary Creek or one of its affiliates may be used by personnel of Boundary Creek or its affiliates, regardless of the investment strategy to which the research was initially intended to be applicable.

Boundary Creek London allocates to broker-dealers certain securities transactions on behalf of Boundary Creek or Advisory Clients. However, under the UK Markets in Financial Instruments Directive (“UK MiFID”), Boundary Creek London is prohibited from receiving from a third party any fees, commissions or monetary or non-monetary benefits (except, in the case of non-monetary benefits, where such benefits are “minor” in nature). Under UK MiFID, non-monetary benefits include certain categories of investment research. Boundary Creek London may not utilize “soft dollar” arrangements or receive bundled commission rates to obtain these categories of investment research from broker-dealers.

On a quarterly basis, Boundary Creek’s Chief Compliance Officer (or his designee) reviews the quality of Boundary Creek’s execution and the effectiveness of its order execution arrangements and execution policy.

**2. Brokerage for *Client* Referrals. If you consider, in selecting or recommending broker-dealers, whether you or a *related person* receives *client* referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.**

**a. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving *client* referrals, rather than on your *clients’* interest in receiving most favorable execution.**

**b. Explain the procedures you used during your last fiscal year to direct *client* transactions to a particular broker-dealer in return for *client* referrals.**

In selecting broker-dealers and negotiating the fees to be paid to them, Boundary Creek takes into consideration the factors described in Item 12.A.1 above. Boundary Creek does not consider, in selecting or recommending broker-dealers, whether Boundary Creek or its related persons receive client referrals from a broker-dealer or third party.

From time to time, Boundary Creek participates in capital introduction programs arranged by broker-dealers, including firms that serve as prime brokers to an Advisory Client managed by Boundary Creek or recommend investments in Boundary Creek’s Advisory Clients as investments to the clients of the broker-dealer. Boundary Creek executes Advisory Client’s transactions with broker-dealers who have provided capital introduction opportunities if Boundary Creek determines that it is otherwise consistent with seeking best execution. Boundary Creek will not select a broker-dealer as a means of remunerating the broker-dealer for recommending Boundary Creek or its Advisory Clients.

Boundary Creek receives asset-based fees and accordingly would receive a financial benefit from the increase in assets under management that results from capital introduction services and investor referrals. Similarly, Boundary Creek receives performance-based compensation and accordingly could receive larger performance-based compensation in any given profit period as a result of an increase in assets under management that results from capital introduction services and investor referrals. The potential for higher fees presents a potential conflict in that Boundary Creek has an incentive to favor broker-dealers that provide services that have a direct impact on fees even if those broker-dealers rate unfavorably in other categories that are part of Boundary Creek’s broker selection analysis. Boundary Creek addresses this

potential conflict through quarterly reviews of the quality of Boundary Creek's execution and the effectiveness of its order execution arrangements and execution policy.

### **3. Directed Brokerage.**

**a. If you routinely recommend, request or require that a *client* direct you to execute transactions through a specified broker-dealer, describe your practice or policy. Explain that not all advisers require their *clients* to direct brokerage. If you and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, describe the relationship and discuss the conflicts of interest it presents. Explain that by directing brokerage you may be unable to achieve most favorable execution of *client* transactions, and that this practice may cost *clients* more money.**

**b. If you permit a *client* to direct brokerage, describe your practice. If applicable, explain that you may be unable to achieve most favorable execution of *client* transactions. Explain that directing brokerage may cost *clients* more money. For example, in a directed brokerage account, the *client* may pay higher brokerage commissions because you may not be able to aggregate orders to reduce transaction costs, or the *client* may receive less favorable prices.**

Boundary Creek does not have any directed brokerage arrangements.

**B. Discuss whether and under what conditions you aggregate the purchase or sale of securities for various *client* accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to *clients* of not aggregating.**

From time-to-time, Boundary Creek combines, but is under no obligation to combine, orders on behalf of Advisory Clients with orders for other accounts for which it or its affiliates have trading authority, or in which it or its affiliates have an economic interest. In such cases, Boundary Creek allocates the securities or proceeds arising out of those transactions (and the related transaction expenses) in accordance with its allocation guidelines. Such allocation guidelines are intended to ensure fair and equitable treatment of all Advisory Clients.

Boundary Creek will not aggregate transactions unless it believes that aggregation is consistent with its duty to seek best execution and is consistent with the terms of the investment guidelines and restrictions for each Advisory Client for which trades are being aggregated. Boundary Creek will not receive any additional compensation or remuneration of any kind as a result of the proposed aggregation. While Boundary Creek believes combining orders in this way is, over time, advantageous to all participants, in particular cases the average price could be less advantageous to one Advisory Client than if such Advisory Client had been the only account effecting the transaction or had completed its transaction before the other participants.

Please see Item 6 for additional information regarding Boundary Creek's policy with respect to allocation of investment opportunities.

### **Item 13 – Review of Accounts**

**A. Indicate whether you periodically review *client* accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the *supervised persons* who conduct the review.**

A portfolio manager of Boundary Creek generally reviews the portfolios of each Advisory Client on a regular and ongoing basis to determine if they are consistent with applicable investment objectives and restrictions. The portfolio managers will also consider whether the portfolio should change investments based on various factors, including, but not limited to, changes in securities prices, company fundamentals and performance, industry prospects, general market conditions, advisers, key industry personnel, analysts, news and press releases, and assessment of the financial consequences of world events derived from general information or such other material as is appropriate under the particular circumstances.

**B. If you review *client* accounts on other than a periodic basis, describe the factors that trigger a review.**

Please see Item 13.A.

**C. Describe the content and indicate the frequency of regular reports you provide to *clients* regarding their accounts. State whether these reports are written.**

Investors in Fund Clients generally receive unaudited monthly or quarterly written reports describing the performance of such Fund Clients and annual reports containing audited financial statements and other indicia of performance. The content and frequency of written reports received by Institutional Accounts is as mutually agreed by such Institutional Account and Boundary Creek.

*Advisory Client investors and prospective investors in Advisory Clients should refer to the private placement memorandum or other offering documents of the respective Advisory Client for detailed information with respect to the reports they will receive in connection with an investment in such Advisory Client. The information contained herein is a summary only and is qualified in its entirety by such documents.*

#### **Item 14 – Client Referrals and other Compensation**

**A. If someone who is not a *client* provides an economic benefit to you for providing investment advice or other advisory services to your *clients*, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.**

Boundary Creek does not receive any monetary compensation or any other economic benefit from a non-client in connection with the provision of investment advisory services.

**B. If you or a *related person* directly or indirectly compensates any *person* who is not your *supervised person* for *client* referrals, describe the arrangement and the compensation.**

Boundary Creek does not currently engage solicitors or placement agents to market Fund Clients but may do so in the future.

Boundary Creek effects securities transactions through a number of broker-dealers. By virtue of its conducting business with broker-dealers, Boundary Creek may receive certain economic benefits from such broker-dealers which would not be received if it did not transact through the broker-dealers. These benefits may include, but are not limited to: access to management of companies in which Boundary Creek has invested or is considering investing on behalf of its clients, receipt of proprietary research, participation in broker-dealer sponsored capital introduction services and receipt of consulting services. Boundary Creek understands that the benefits received through its relationship with the broker-dealers (including its prime brokers) generally do not depend upon the amount of transactions directed to, or amount of assets custodied by, the broker-dealers.

### **Item 15 – Custody**

**If you have *custody* of *client* funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your *clients*, explain that *clients* will receive account statements from the broker-dealer, bank or other qualified custodian and that *clients* should carefully review those statements. If your *clients* also receive account statements from you, your explanation must include a statement urging *clients* to compare the account statements they receive from the qualified custodian with those they receive from you.**

Boundary Creek's Fund Clients are structured so that Boundary Creek is deemed to have custody of the assets of such Fund Clients under federal securities laws. In those situations, Boundary Creek does not have actual physical custody of such Advisory Clients' assets; rather, all such assets are held in the name of such Advisory Client by an independent qualified custodian. Each such Fund Client is audited annually, and investors in such Advisory Client receive annual financial statements. With respect to SMAs, the underlying client is generally responsible for selecting the SMAs custodian and receives periodic account statements directly from the broker-dealer, bank, or other institution providing such services. Clients should carefully review these statements and are urged to compare them with reporting provided by Boundary Creek.

## **Item 16 – Investment Discretion**

**If you accept *discretionary authority* to manage securities accounts on behalf of *clients*, disclose this fact and describe any limitations *clients* may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).**

Boundary Creek generally provides investment management and supervisory services on a discretionary basis on behalf of its Advisory Clients; provided that with respect to certain Institutional Accounts, one or more investors therein has a consent right in respect of investments. As described in Item 4.C, the advisory services provided by Boundary Creek are tailored to the investment objectives, investment strategy and investment restrictions, if any, as set forth in the governing documents of Advisory Clients and/or the investment management agreement entered into by Boundary Creek with such clients. With respect to Fund Clients, Boundary Creek does not tailor its advisory services to the individual needs of investors in the Fund Client and, except as specifically provided in a Side Letter, as described in Item 4.C, does not accept investment restrictions imposed by such Fund Client investors. With respect to Institutional Accounts, the terms of such relationship, including any investment restrictions, are individually negotiated. Certain Side Letters permit the excuse and/or exclusion of a particular investor from participating in a particular investment or category of investments in certain limited circumstances, but Boundary Creek generally does not otherwise accept investment restrictions imposed by investors.

Advisory Client investors typically execute a subscription agreement and/or the governing documents of the Advisory Client in connection with their investment in the Fund Client, as applicable, that each contain a power of attorney that generally grants an affiliate of Boundary Creek certain powers related to the orderly administration of the affairs of the Fund Client.

Please see Item 4 for additional information regarding Boundary Creek's advisory services.

## **Item 17 – Voting Client Securities**

**A. If you have, or will accept, authority to vote *client* securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6. Describe whether (and, if so, how) your *clients* can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your *clients* with respect to voting their securities. Describe how *clients* may obtain information from you about how you voted their securities. Explain to *clients* that they may obtain a copy of your proxy voting policies and procedures upon request.**

Boundary Creek has adopted policies and procedures for voting proxies received by Advisory Clients. As a general rule, Advisory Clients delegate the power to vote such proxies to Boundary Creek or their general partner (as applicable), although certain Advisory Clients, such as certain Institutional Accounts, may retain proxy voting rights or issue guidelines with respect to the voting of such proxies by Boundary Creek. Investors in Fund Clients do not have the ability to direct proxy votes.

Unless the power to vote proxies for an Advisory Client is reserved to that client, Boundary Creek's Chief Investment Officer (or his designee) is responsible for voting proxies. Proxy votes generally will be cast in favor of proposals that maintain or strengthen the shared interests of shareholders and management and increase shareholder value. These goals are typically met by voting in favor of management proposals. In some cases, Boundary Creek may abstain from voting or may affirmatively decide not to vote if it determines that abstaining or not voting is in the best interests of the Advisory Clients.

If the Chief Investment Officer (or his designee) determines that a material conflict may exist between (i) an Advisory Client's interests and the interests of Boundary Creek or (ii) two or more Advisory Clients' interests, the Chief Investment Officer (or his designee) is required to inform the Chief Compliance Officer of such material conflict, and the Chief Compliance Officer will determine the appropriate course of action.

Information regarding how Advisory Clients' proxies have been voted in the past and a copy of Boundary Creek's Proxy Voting Policies and Procedures will be provided by Boundary Creek to its clients upon request. Boundary Creek's Chief Compliance Officer may be contacted at [legalnotices@boundarycreek.com](mailto:legalnotices@boundarycreek.com).

**B. If you do not have authority to vote *client* securities, disclose this fact. Explain whether *clients* will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) *clients* can contact you with questions about a particular solicitation.**

As a general rule, Advisory Clients delegate the power to vote such proxies to Boundary Creek or their general partner (as applicable), although certain Institutional Accounts may retain proxy voting rights or issue guidelines with respect to the voting of such proxies by Boundary Creek.

## **Item 18 – Financial Information**

**A. If you require or solicit prepayment of more than \$1,200 in fees per *client*, six months or more in advance, include a balance sheet for your most recent fiscal year.**

**1. The balance sheet must be prepared in accordance with generally accepted accounting principles, audited by an independent public accountant, and accompanied by a note stating the principles used to prepare it, the basis of securities included, and any other explanations required for clarity.**

**2. Show parenthetically the market or fair value of securities included at cost.**

**3. Qualifications of the independent public accountant and any accompanying independent public accountant's report must conform to Article 2 of SEC Regulation S-X.**

Not applicable.

**B. If you have *discretionary authority* or *custody* of *client* funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per *client*, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to *clients*.**

Boundary Creek is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to its Advisory Clients.

**C. If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.**

Boundary Creek has not been the subject of a bankruptcy petition at any time during the past ten years (or at any time since inception).