

**WhiteHawk Capital Partners LP**

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This brochure provides information about the qualifications and business practices of WhiteHawk Capital Partners LP. If you have any questions about the contents of this brochure, please contact WhiteHawk Capital Partners LP's Chief Compliance Officer, Harry Chung, at (818) 489-1503 or by email at [hchung@whitehawkcapiatal.com](mailto:hchung@whitehawkcapiatal.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 WhiteHawk Capital Partners LP is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Any reference to WhiteHawk Capital Partners LP as a "registered investment adviser" or as being "registered" does not imply a certain level of skill or training.

**Item 2 - Material Changes**

This brochure, dated March 2024, has been prepared by WhiteHawk Capital Partners LP and supersedes the prior version of this brochure dated March 2023 ("Prior Version").

There have been no material changes since the Prior Version.

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**Item 4 - Advisory Business**

WhiteHawk Capital Partners LP (“**WhiteHawk**” or the “**Adviser**”) is a Delaware limited partnership formed and founded in February 2020. The Adviser is registered as an investment adviser with the SEC pursuant to the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”). The Adviser’s principal place of business is in Los Angeles, California and its principal owners are John Ahn, Robert Louzan and Harry Chung.

WhiteHawk provides discretionary investment management services to pooled investment vehicles (each a “**Fund**” and collectively, the “**Funds**”). The Funds will pursue a direct lending strategy in accordance with its confidential private placement memorandum, limited partnership agreement and other related offering documents, as amended from time to time (collectively with similar offering documents of any other Funds, the “**Offering Documents**”). WhiteHawk will also manage additional Funds, including by serving as a sub-adviser thereto. Should WhiteHawk provide advisory services to any additional Fund, WhiteHawk will do so in accordance with the relevant offering documents of such Fund or sub-advisory agreement in respect of such Fund, as the case may be. Fund investors generally cannot place investment restrictions on the Fund’s investment strategy or the Adviser’s investment decisions in respect thereof, with the exception of ESG related preferences.

WhiteHawk does not participate in wrap fee programs.

As of December 31, 2023, WhiteHawk manages \$543,561,670 in regulatory assets on a discretionary basis. WhiteHawk does not manage any assets on a non-discretionary basis.

**Item 5 - Fees and Compensation*****General***

WhiteHawk receives a management fee and carried interest in connection with advisory services provided to the Funds. WhiteHawk receives additional compensation in connection with certain management and other services performed for portfolio companies of the Funds and such additional compensation will offset all or a portion of the management fees otherwise payable to WhiteHawk in accordance with the relevant Offering Documents. In addition, in certain circumstances WhiteHawk receives compensation for certain management and other services performed in connection with investments made by co-investors in the portfolio companies of the Funds.

The actual fees and expenses applicable to each Fund are set forth in detail in each such Fund’s Offering Documents. The below is merely a summary of such fees and expenses.

***Management Fee***

WhiteHawk’s fees and compensation arrangement will vary among the Funds. The specific terms of such arrangements are established by WhiteHawk, and as set forth in each Fund’s Offering Documents. WhiteHawk charges a management fee (the “**Management Fee**”) equal to 1.5% (per annum). The Management Fees paid are calculated using the net invested capital of the limited partners. Certain limited partners in Fund III do not pay management fees. The Management Fee will be payable quarterly in arrears during the term of the Fund. The fee is non-negotiable.

The Management Fee for each Fund will commence as of the initial closing of the Fund, regardless of when a limited partner is actually admitted to the Fund. Limited partners admitted in

subsequent closings will be charged a Management Fee as of the date on which they are admitted to the Fund in an amount equal to (a) the amount of the Management Fee calculated for the period from the initial closing until the end of the calendar quarter in which such limited partner is admitted to the Fund is paid to the General Partner plus (b) an additional amount thereon at a rate of 6% - 8% (per annum) from the initial closing until the end of the calendar quarter in which such limited partner is admitted to the Fund is paid to the existing investors.

Each quarterly installment of the Management Fee will be reduced, but not below zero, by an amount equal to (a) 50% of all (i) Breakup Fees (as defined below), (ii) Transaction and Monitoring Fees (as defined below), (iii) placement agent fees paid by the Fund and (iv) organizational expenses incurred by the Fund in excess of a maximum amount permitted under the Offering Documents of each Fund and (b) 50% of all Agency Fees (as defined below), in each case, attributable to the limited partners that are not designated as “affiliated partners” by the General Partner. As used herein: (x) “**Breakup Fees**” include commitment fees and breakup fees, in each case from transactions not consummated by the Fund that are actually received and retained by the General Partner, the Firm or the partners, members, managers or employees thereof actively involved in the activities of the Fund, and in each case, net of related expenses; (y) “**Transaction and Monitoring Fees**” include transaction fees, closing fees, consulting fees, advisory fees, commitment fees, directors’ fees and monitoring fees that are actually received from the portfolio companies of the Fund, and retained by, the General Partner, the Firm or the partners, members, managers or employees thereof actively involved in the activities of the Fund, in each case, net of related expenses and excluding (A) any amount received by the General Partner, the Firm or the partners, members, managers or employees thereof from the portfolio companies of the Fund as reimbursement for out-of-pocket expenses directly related to such portfolio company, (B) Breakup Fees and (C) Agency Fees; and (z) “**Agency Fees**” include fees actually received from the portfolio companies of the Fund, and retained by, the General Partner, the Firm or the partners, members, managers or employees thereof actively involved in the activities of the Fund for administrative agency services provided by such persons to such portfolio companies, in each case, net of related expenses and excluding (A) Breakup Fees and (B) Transaction and Monitoring Fees. To the extent that any such offset credit would reduce the Management Fee for a given quarter below zero, such offset credit will be carried forward for future application against payable Management Fees and if such a credit remains upon liquidation of the Fund, the Firm will refund to the Fund for the benefit of the limited partners an amount equal to such remaining offset credit.

WhiteHawk will be paid fees of the type referred to in the preceding paragraph from, on behalf of, or with respect to, investments made by co-investors in an investment of the Fund. The receipt of such fees will not reduce the Management Fee payable by the Fund, and as a result, the Fund will, in most cases, only benefit with respect to its allocable portion of any such fee and not the portion of any fee that relates to such co-investors, which have the potential to be significant.

The Fund’s Offering Documents will generally permit WhiteHawk to waive or reduce the Management Fee in respect of any Fund investor.

### ***Carried Interest***

WhiteHawk will generally receive a carried interest with respect to each Fund equal to 20% of all realized profits subject to a 6% - 8% compound preferred return. The carried interest distributed to WhiteHawk will generally be subject to a potential clawback at the end of the term of the Fund if

WhiteHawk has received excess cumulative distributions of carried interest. The Fund's Offering Documents will generally permit WhiteHawk to waive or reduce the carried interest in respect of any Fund investor.

### ***Expenses***

Each Fund will generally be responsible for all costs, fees, expenses and liabilities that, in the good faith judgment of WhiteHawk, are incurred by, or arise out of the operation of, the Fund, including: (a) the management fee (as described above); (b) organizational expenses; (c) costs, fees and expenses (including to third parties) relating to temporary investments, portfolio investments and potential investments that are not consummated, including for investigation, development, negotiation, structuring, acquisition, trading, settling, valuing, monitoring, holding, and disposition thereof, travel (including transportation, meal and accommodation expenses), legal, tax and accounting expenses in connection therewith (to the extent not reimbursed by a prospective or actual portfolio company or other third parties or capitalized as part of the acquisition price of the transaction); (d) broken deal expenses (to the extent not reimbursed by a prospective or actual portfolio company or other third parties); (e) brokerage fees and commissions and prime brokerage fees, custodial expenses, agent bank and other bank service fees and other investment costs; (f) capital call lines fees and interest; (g) Fund administrative fees and expenses; (h) insurance; (i) payments made to legal counsel, tax advisers, auditors, accountants, fund administrators, custodians, appraisers, consultants and other outside advisers (including payments associated with the preparation of the Fund's financial statements, tax returns and Schedule K-1s); (j) expenses related to organizing companies through or in which portfolio investments will be made; (k) reimbursement of the expenses of the Fund's investor advisory board; (l) expenses relating to the holding of meetings of the Fund, including reasonable travel expenses of WhiteHawk's partners, members and employees to attend such meetings; (m) market data costs; (n) research and deal origination-related expenses, including news and quotation equipment, software, subscriptions (including an Axial subscription) and services (including information and expert advisory services (e.g., services similar to those provided by the Gerson Lehrman Group)); (o) other expenses related to the purchase, monitoring, sale, settlement, custody or transmittal of Fund assets; (p) costs and expenses that are classified as extraordinary expenses, including fees and expenses associated with any tax or other audit, investigation, settlement or review of the Fund; (q) taxes, fees or other governmental charges payable by the Fund; (r) damages, litigation expenses, and threatened litigation expenses relating to the business or activities of the Fund or WhiteHawk; (s) the Fund's indemnity obligations; (t) interest and other expenses for borrowed money; (u) costs of reporting to the Fund investors; (v) costs of winding up and liquidating the Fund; (w) business development expenses, including any business development entertainment expenses; (x) investor relations expenses related to the Fund; (y) expenses incurred pursuant to a Fund investor's default; and (z) and all other expenses properly chargeable to the Fund. Any such costs or expenses paid by WhiteHawk will be reimbursed by each Fund.

In certain circumstances, one Fund will pay an expense common to multiple Funds (including, without limitation, legal expenses for a transaction in which all such Funds participate, or other fees or expenses in connection with services the benefit of which are received by other Funds over time), and be reimbursed by the other Funds by their share of such expense, without interest. In certain circumstances, WhiteHawk will advance amounts related to the foregoing and receive reimbursement from the Funds to which such expenses relate.

WhiteHawk generally has discretion over whether to charge agency fees, transaction fees, monitoring fees or other compensation to a portfolio company and, if so, the rate, timing, method and/or amount of such compensation. The receipt of such compensation generally will give rise to potential conflicts of interest between the Fund, on the one hand, and WhiteHawk, on the other hand.

As discussed above, to mitigate these conflicts, a portion of these fees will offset the Management Fees.

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

As described under “Fees and Compensation,” WhiteHawk will typically receive carried interest distributions on certain realized profits of the Funds, although WhiteHawk, in its sole discretion, may waive or reduce such carried interest distributions for any Fund investor.

The terms of the carried interest or other performance-based compensation is equal to 20% of all realized profits subject to a 6% - 8% compound preferred return. However, it may differ for future Funds. If this occurs, a conflict of interest would arise related to allocating investment opportunities among Funds, as WhiteHawk would have an incentive to favor Funds that have higher performance-based compensation. To avoid such a conflict of interest, WhiteHawk will generally follow documented procedures for allocating investment opportunities among Funds, which will not take into account the performance-based compensation to which such Funds are subject. The existence of performance-based compensation also has the potential to create an incentive for WhiteHawk to make more speculative investments on behalf of the applicable Fund than it would otherwise make in the absence of such arrangement, although WhiteHawk generally considers performance-based compensation to better align its interests with those of the Funds.

### **Item 7 - Types of Clients**

WhiteHawk offers investment advice to the Funds as defined in Item 4 above. The Funds’ investors are limited to individuals and entities that meet certain suitability criteria including “accredited investors,” “qualified clients” and “qualified purchasers.” investors participating in the Funds will include individuals, banks or thrift institutions, other investment entities, university endowments, sovereign wealth funds, family offices, pension and profit-sharing plans, trusts, estates, charitable organizations, other corporations or business entities, and in certain instances, includes, directly or indirectly, the partners, principals, or other employees of WhiteHawk and members of their families, or other service providers retained by WhiteHawk.

The minimum initial investment in the Funds is generally \$1 million, subject to WhiteHawk’s discretion to accept lesser amounts in certain instances.

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

#### ***Investment Strategy***

WhiteHawk seeks to generate attractive risk-adjusted returns through investments primarily in senior secured loans and second lien secured loans of middle-market public and private U.S. companies.

#### ***Risk of Loss***

Prospective Fund investors should be aware that investments involve a high degree of risk. A discussion of certain material risks is provided below. However, the below does not purport to be a complete explanation of the risks involved with an investment. Prospective investors should review the Fund’s Offering Documents in their entirety and consult with their own advisers before deciding whether to invest in the Fund.

**Significant Fees and Expenses.** The fees and expenses associated with an investment can be significant.

*Investment in Middle-Market Companies.* The Funds invest in lower middle-market companies. Investing in middle-market companies involves a number of significant risks. Such companies could (a) have limited financial resources and may be unable to meet their obligations under their debt securities that the Fund holds, which could be accompanied by a deterioration in the value of any collateral and a reduction in the likelihood of the Fund realizing any guarantees the Fund may have obtained in connection with its investment; (b) typically have shorter operating histories, narrower product lines and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns; are more likely to depend on the management talents and efforts of a small group of persons such that, the death, disability, resignation or termination of one or more of these persons could have a material adverse impact on the stability of the company and their ability to repay their debts; (c) generally have less predictable operating results, will from time to time be parties to litigation, may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence, and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position; and (d) may have difficulty accessing the capital markets to meet future capital needs, which could limit their ability to grow or to repay their outstanding indebtedness upon maturity.

*Risk of Private Debt and Equity Investments.* Private debt and equity investments involve a high degree of financial risk. There can be no assurance that investments by the Funds will be profitable or that substantial losses will not occur. The companies in which the Funds will invest are often dependent on the skills of a small number of executives and are vulnerable to changes in technology, fluctuations in demand for their products, changing interest rates and other factors. There can also be no assurance that the Fund will be repaid, be able to sell or otherwise liquidate its investments at the optimal time or price.

Debt instruments are subject to credit and interest rate risks. Credit risk refers to the likelihood that an obligor will default in the payment of principal and/or interest on an instrument. Financial strength and solvency of an obligor are the primary factors influencing credit risk. In addition, lack or inadequacy of collateral or credit enhancement for a debt instrument could affect its credit risk. Credit risk generally changes over the life of an instrument and securities and other debt instruments which are rated by rating agencies are often reviewed and could be subject to downgrade. Interest rate risk refers to the risks associated with market changes in interest rates. Interest rate changes affects the value of a debt instrument indirectly (especially in the case of fixed rate securities) or directly (especially in the case of instruments whose rates are adjustable). In general, rising interest rates will negatively impact the price of a fixed rate debt instrument and falling interest rates will have a positive effect on price. Adjustable rate instruments also react to interest rate changes in a similar manner although generally to a lesser degree (depending, however, on the characteristics of the reset terms, including the index chosen, frequency of reset and reset caps or floors, among other factors). Interest rate sensitivity is generally more pronounced and less predictable in instruments with uncertain payment or prepayment schedules.

*Leverage and Borrowing Risks.* The Fund has the power to borrow funds and employs leverage in connection with its investment program, to pay Fund expenses or as otherwise deemed necessary, desirable or appropriate by WhiteHawk in its sole discretion, including for the purpose of enhancing the Fund's returns. The exact amount of leverage employed by the Fund will vary from time to time and will be dependent upon the terms and restrictions imposed by the leverage lenders. The Fund will borrow funds from brokers, banks and other lenders to finance its investments, which borrowings could be secured by assets of the Fund, capital contributions and available capital commitments. The use of such leverage can, in certain circumstances, maximize the losses to which the Fund's investments are subject, and the amount



of leverage that the Fund has outstanding at any time may be significant in relation to its assets. Any event that adversely affects the value of an investment would be magnified to the extent that the Fund is leveraged. The cumulative effect of the use of leverage by the Fund in a market that moves adversely to the Fund's investments could result in a substantial loss to the Fund, which would be greater than if the Fund was not leveraged. The access to capital could be impaired by many factors, including market forces or regulatory changes.

*Debt Obligations – Assignments and Participations.* The Funds will occasionally acquire and hold interests in loans either directly (by purchase from the issuer or by assignment) or indirectly (by way of participation). Holders of participation interests are subject to additional risks not applicable to a holder of a direct interest in a loan. The purchaser of an assignment of a loan obligation typically succeeds to all the rights and obligations of the selling institution and becomes a lender under the loan or credit agreement with respect to the loan obligation. As a purchaser of an assignment, the Fund generally will have the same voting rights as other lenders under the applicable loan agreement. Assignments are, however, arranged through private negotiations between assignees and assignors, and in certain cases the rights and obligations acquired by the purchaser of an assignment will differ from, and be more limited than, those held by the assigning selling institution.

*Priority of Debt Instruments and Loans.* The Funds invest in secured debt issued by companies that have or may incur additional debt that is senior to the secured debt owned by the Funds. In the event of insolvency, liquidation, dissolution, reorganization or bankruptcy of any such company, the owners of senior secured debt (i.e., the owners of first priority liens) generally will be entitled to receive proceeds from any realization of the secured collateral until they have been reimbursed. At such time, the owners of junior secured debt (including, in certain circumstances, the Funds) will be entitled to receive proceeds from the realization of the collateral securing such debt. There can be no assurances that the proceeds, if any, from the sale of such collateral would be sufficient to satisfy the loan obligations secured by subordinate debt instruments. To the extent that the Funds owns secured debt that is junior to other secured debt, the Funds could lose the value of its entire investment in such secured debt.

*Risks Associated with Investments in Distressed Securities.* The Funds invest in securities and assets of companies that are experiencing significant financial or business difficulties, including companies involved in reorganization or restructuring. Although such investments may result in significant returns to the Funds, they involve a substantial degree of risk. Any one or all of the issuers of the securities in which the Funds could invest may be unsuccessful or not show any return for a considerable period of time. The level of analytical sophistication, both financial and legal, necessary for successful investment in companies experiencing significant business and financial difficulties is unusually high.

Furthermore, with respect to the Funds' investments in loans, there is no assurance that WhiteHawk will correctly evaluate the value of the assets collateralizing the Funds' loans or the prospects for a successful reorganization or similar action. In any reorganization or restructuring relating to a company in which the Funds invest, the Funds could lose their entire investment, may be required to accept cash or securities with a value less than the Funds' original investment and/or may be required to accept payment over an extended period of time. Under such circumstances, the returns generated from the Funds' investments will likely not compensate the Funds' partners adequately for the risks assumed.

Troubled company and other investments require active monitoring and will, at times, require participation in business strategy or reorganization proceedings by WhiteHawk. To the extent that WhiteHawk becomes involved in such proceedings, the Funds will have a more active participation

in the affairs of the issuer than that assumed generally by an investor. In addition, involvement by WhiteHawk in an issuer's reorganization proceedings could result in the imposition of restrictions limiting the Funds' ability to liquidate its position in the issuer.

*Inflation.* Inflation could affect the Funds' investments adversely in a number of ways. During periods of rising inflation, interest and dividend rates of any instruments a Fund or entities related to portfolio investments could increase, which would tend to reduce returns to investors in the Funds. Inflationary expectations or periods of rising inflation could also be accompanied by the rising prices of commodities. During periods of high inflation, capital could flee to other asset classes, which could adversely affect the prices at which a Fund is able to sell its investments. The market value of such investments can decline in value in times of higher inflation rates.

*Participation on Creditors' Committees.* The Fund will participate on committees formed by creditors to negotiate the management of financially troubled companies that may or may not be in bankruptcy or the Fund could seek to negotiate directly with the debtors with respect to restructuring issues. If the Fund does join a creditors' committee, the participants of the committee would be interested in obtaining an outcome that is in their respective individual best interests and there can be no assurance of obtaining results most favorable to the Fund in such proceedings. By participating on such committees, the Fund will be deemed to have duties to other creditors represented by the committees, which might thereby expose the Fund to liability to such other creditors who disagree with the Fund's actions.

*Unsecured Subordinated Debt and High-Yield Debt Obligations.* Some of the debt obligations purchased by the Funds will on occasion consist of unsecured subordinated or high-yield debt obligations. These obligations are often issued in connection with leveraged acquisitions or recapitalizations in which the borrower incurs a substantially higher amount of indebtedness than the level at which they had previously operated. The lower ratings (or absence of credit ratings) of obligations in the non-investment grade market reflect a greater possibility that adverse changes in the financial condition of a borrower or in general economic conditions (including, for example, a substantial period of rising interest rates or declining earnings or disruptions in the financial markets) or both could impair the ability of such borrower to make payments of principal and interest.

Risks of such obligations include (among others): (a) limited liquidity; (b) substantial market price volatility resulting from changes in prevailing interest rates; (c) subordination in right of security and right to enforce remedies to the prior claims of secured banks and other senior secured lenders; (d) the possibility that earnings of the high-yield debt obligation borrower may be insufficient to meet its debt service; and (e) the declining creditworthiness and potential for insolvency of the borrower of such high-yield debt obligation during periods of rising interest rates and economic downturn. An economic downturn or an increase in interest rates could severely disrupt the market for high-yielding debt obligations and adversely affect the value of outstanding high-yield debt obligations and the ability of the borrower thereof to repay principal and interest.

Issuers of high-yield debt obligations may be highly leveraged and may not have available to them more traditional sources of financing. The risk associated with acquiring the securities of such issuers generally is greater than is the case with higher rated securities. The prices of high-yield debt obligations are likely to be more sensitive to adverse economic changes or individual corporate developments than higher rated securities. For example, during an economic downturn or a sustained period of rising interest rates, issuers of high-yield debt obligations will be more likely to experience financial stress, especially if such issuers are highly leveraged. During such periods, timely service of debt obligation could also be adversely affected by specific borrower developments, the borrower's inability to meet specific projected business forecasts or the

unavailability of additional financing. The risk of loss due to default by the borrower is significantly greater for the holders of high-yield debt obligations because such securities will generally be unsecured. In addition, the issuer could incur additional expenses to the extent it is required to seek recovery upon a default on a high-yield debt obligation (or any other debt obligation) or participate in the restructuring of such obligation.

*Risks Relating to Secondary Investments.* The Funds will, on occasion, acquire loans in the secondary market. In many cases, the economic, financial and other information available to and used by WhiteHawk in selecting and structuring such secondary investments will be incomplete or unreliable. Valuations of secondary investments could be difficult since there generally will be no established market for such interests. The Funds may not have the opportunity to negotiate the terms of secondary investments, including any special rights and privileges. Moreover, the purchase price of secondary investments will be subject to negotiation with the sellers of such interests and will, in certain cases, include the Funds' assumption of certain contingent liabilities resulting from activity that transpired prior to the secondary investment. The overall performance of a secondary investment will depend in part on the accuracy of the information available to WhiteHawk, the acquisition price paid by the Funds for such secondary investment and the structure of such acquisitions and the Funds' ultimate exposure to any assumed liabilities.

The Funds may have the opportunity to acquire a portfolio of secondary investments from a seller on an "all or nothing" basis. Certain secondary investments in such a portfolio may be less attractive than others, and certain of the sponsors of such secondary investments may be more familiar to WhiteHawk than others, or could be more experienced or highly regarded than others. It may not be possible for the Funds to carve out from such purchases those investments which WhiteHawk considers less attractive for commercial, tax, legal or other reasons.

Sellers in certain secondary market transactions might require that WhiteHawk complete its investment analysis and come to a decision within a relatively short time. In such cases, the information available at the time of an investment decision could be limited, and WhiteHawk may not have access to the detailed information necessary for a thorough evaluation of the investment opportunity.

*Risks of Equity Investments.* The Funds will, from time to time, invest in, equity kickers and other equity securities and interests in borrowers or will acquire equity of a borrower through its restructuring or reorganization ("**Equity Investments**"). Equity Investments are subject to the risks described herein with respect to investments generally but are more subordinate in a borrower's capital structure and are therefore generally riskier than fixed income investments such as loans. Equity Investments can involve substantial risks and could be subject to wide and sudden fluctuations in market value.

The successful use of options and warrants depends principally on price movements of the underlying securities. In addition, the purchaser of an option or warrant runs the risk that it will lose its entire investment in a relatively short period of time, unless the purchaser exercises the option or warrant or enters into a closing transaction with respect to the option during the life of the option or warrant. If the price of the underlying security does not rise (in the case of a call) or fall (in the case of a put) to an extent sufficient to cover the option premium and transaction costs, the purchaser will lose part or all of its investment in the option. There is no assurance that the Funds will be able to effect closing transactions at any particular time or at any acceptable price. In the event of the bankruptcy of a broker through which the Funds engage in transactions in options or warrants, the Funds could experience delays or losses in liquidating open positions purchased or sold through the broker.

*Lender Liability and Equitable Subordination.* A number of judicial decisions have upheld judgments of borrowers against lending institutions on the basis of various legal theories, collectively termed “lender liability.” Generally, lender liability is founded on the premise that a lender has violated a duty (whether implied or contractual) of good faith, commercial reasonableness and fair dealing, or a similar duty owed to the borrower or has assumed an excessive degree of control over the borrower resulting in the creation of a fiduciary duty owed to the borrower or its other creditors or shareholders. The Funds could be required to defend allegations of lender liability from time to time.

Loans to companies operating in workout modes or under Chapter 11 of the Bankruptcy Code are, in certain circumstances, subject to certain potential liabilities which will exceed the amount of such loan purchased by the Funds. Under common law principles that in some cases form the basis for lender liability claims, if a lender or bondholder (a) intentionally takes an action that results in the undercapitalization of a borrower to the detriment of other creditors of such borrower, (b) engages in other inequitable conduct to the detriment of such other creditors, (c) engages in fraud with respect to, or makes misrepresentations to, such other creditors or (d) 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 lender or bondholder to the claims of the disadvantaged creditor or creditors, a remedy called “equitable subordination.” Because of the nature of the loans, the loans could be subject to claims of subordination.

*Default Risk.* It is possible that the issuer of a note or other instrument in which the Funds invest may default on its debts in which case the Funds will lose most or all of its investment in that instrument, thus subjecting the Funds to significant loss. A significant downturn in the economy or a particular economic sector could have a significant impact on the business prospects of the companies with respect to which the Funds are holding loans. Such adverse developments will adversely affect the ability of such borrowers to comply with their loan repayment obligations, as well as the ability of the Fund’s subsidiaries to obtain leverage at desired levels, cost or terms.

*Fraud or Misrepresentation.* Of paramount concern in purchasing all types of debt obligations is the possibility of material misrepresentation or omission on the part of the borrower. Such inaccuracy or incompleteness could adversely affect the valuation of the collateral underlying the loans or other debt obligations, or could adversely affect the ability of the Funds to perfect or effectuate a lien on the collateral securing the loan or other debt obligation. The Funds will rely upon the accuracy and completeness of representations made by borrowers to the extent reasonable, but cannot guarantee such accuracy or completeness.

*Distress Events.* A Fund’s investment is subject to the risk that one of the Fund’s banks, lenders or other custodians of some or all of the Fund’s (or any portfolio company’s) assets (each a “counterparty”) is unable to perform its obligations or experiences insolvency, closure, receivership or other financial distress or difficulty (each, a “Distress Event”). A Distress Event can be caused by a variety of factors, including but not limited to, eroding market sentiment, a change in interest rates, significant customer withdrawals, fraud, malfeasance, poor performance, undercapitalization, market forces, or accounting irregularities. In the event a Fund’s counterparty experiences a Distress Event, the Firm, the Funds and/or their portfolio companies may not be able to access deposits, borrowing facilities or other services, either permanently or for an indeterminate period of time. Although many regulated banks and broker-dealers in the United States insure assets up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation, or the Securities Investor Protection Corporation, respectively, amounts in excess of the relevant insurance are subject to risk of total loss, and any counterparties that are not subject to similar arrangements pose increased risk of loss. While in

recent years governmental intervention has often resulted in additional protections for depositors and counterparties in connection with Distress Events, there can be no assurance that any intervention will occur be successful or avoid the risk of loss, substantial delays or negative impact on banking or brokerage conditions or markets.

Any Distress Event can adversely effect WhiteHawk's ability to manage the Funds and their investments, and the ability of the Firm, any Fund or any portfolio company to maintain operations, resulting in significant losses. IF a counterparty experiences a Distress Event, this could cause Funds to be unable to draw capital on a credit line to close a transaction or acquire or dispose of investments at prices that reflect the fair value of such investments; investors to be unable to make capital contributions or otherwise; and/or portfolio companies to be unable to make payroll, fulfill obligations and maintain operations. If of a Distress Event leads to a loss of access to a counterparty's services, it is also possible that WhiteHawk will experience operational burdens and expenses, and a Fund or a portfolio company will incur additional expenses and/or delays in putting in place alternative arrangement and/or that such alternative arrangements will be less favorable than those formerly in place (with respect to economic terms, service levels, access to capital or otherwise). There can be no assurance that the firm will be able to exercise contractual remedies under the agreements with counterparties, there can be no assurance that such remedies will be successful or avoid losses or delays, or other negative impacts. The Funds and their portfolio companies are subject to additional risks in the event a counterparty utilized by investors of a Fund or suppliers, vendors or service providers of a portfolio company become subject to Distress Events, which could have a material adverse effect on a Fund, its investors or such portfolio companies, including the risk of investor defaults.

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

Prior Investment Performance Not Indicative of Future Results. The performance of prior investments by the investment professionals of WhiteHawk is not necessarily indicative of future results. While WhiteHawk makes investments that have potential returns commensurate with the risks undertaken, there can be no assurance that the targeted returns will be achieved. On any given investment, total loss of the investment is possible.

Illiquidity of Interests. No market exists for the Fund's interests and none is expected to develop. Investment in the Fund requires a long-term commitment, with no certainty of return. The Fund's limited partners may not be able to liquidate their interests prior to the end of the Fund's term. An investment in the Fund is suitable only for certain sophisticated investors who have no need for liquidity in their investment in the Fund.

Limited Partners May be Required to Return Distributions. WhiteHawk is permitted to require a limited partner, including any former limited partner, to return any or all of the distributions made to such limited partner, subject to certain limitations, if the assets of the Fund are insufficient to satisfy its liabilities, including indemnification obligations.

Competition for Investment Opportunities. There will be competition for investments from numerous other potential investors, many of which will have significant financial resources. As a



result, there can be no guarantee that a sufficient quantity of suitable investment opportunities for the Fund will be found, that investments on favorable terms can be negotiated, or that the Fund will be able to fully realize the value of the Fund's investments. Competition for investments could have the effect of increasing the Fund's costs and expenses, thereby reducing investment returns to the Fund.

*Market Conditions.* Difficult market conditions, including any deterioration in the credit markets, could adversely affect the Fund in many ways, including by reducing the value or performance and liquidity of the Fund's investments and reducing the ability of the Fund to raise or deploy capital. A general market downturn, or a specific market dislocation, may result in lower investment returns for the Fund.

The Fund could be adversely affected by the fact that WhiteHawk may not be able to find suitable investments for the Funds to effectively deploy capital, which could adversely affect the Fund's performance.

*Artificial Intelligence.* The emergence of recent technology developments in artificial intelligence and machine learning such as OpenAI and ChatGPT (collectively, "Machine Learning Technology") can pose risks to the Firm, Funds, and their investments. While the Firm prohibits the use of Machine Learning Technology in substantial business activities, the Firm is nonetheless exposed to the risks of Machine Learning Technology from any uses of Machine Learning Technology that may be undertaken by the Firm personnel in contravention of the Firm's restriction, or by third-party service providers, portfolio investments, any counterparties to Funds, or their underlying investments, whether or not known to the Firm. Use of Machine Learning Technology involves the risk of inaccuracies or errors in the data utilized by Machine Learning Technology, may directly or indirectly create security or data risks, and may increase trademark, licensing and copyright risks. Machine Learning Technology continues to develop rapidly, and it is impossible to predict the future risks that may arise from such developments.

*Cybersecurity Risk.* As part of its business, WhiteHawk processes, stores and transmits large amounts of electronic information, including information relating to the transactions of the Fund and personally identifiable information of the Fund's limited partners. Similarly, service providers of the Fund process, store and transmit such information. WhiteHawk has procedures and systems in place to protect such information and prevent data loss and security breaches. However, such measures cannot provide absolute security. The techniques used to obtain unauthorized access to data, disable or degrade service or sabotage systems change frequently and could be difficult to detect for long periods of time. Hardware or software acquired from third parties could contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Network connected services provided by third parties to WhiteHawk could be susceptible to compromise, leading to a breach of WhiteHawk's network. WhiteHawk's systems or facilities could be susceptible to employee error or malfeasance, government surveillance or other security threats. On-line services provided by WhiteHawk to the Fund's limited partners, if any, could also be susceptible to compromise. Breach of WhiteHawk's information systems could cause information relating to the transactions of the Funds and personally identifiable information of the Fund's limited partners to be lost or improperly accessed, used or disclosed. Such a failure could harm the Firm's, a Fund's, and/or a portfolio company's reputation, subject any such entity and their respective affiliates to legal claims, increased costs, financial losses, adverse publicity, regulatory intervention and otherwise affect their business and financial performance. The costs related to cyber or other security threats or disruptions may not be fully insured or indemnified by other means.

The service providers of the Clients are subject to the same information security threats. If a service provider fails to adopt or adhere to adequate data security policies, or if the service provider's network is breached, information relating to the transactions of the Clients and personally identifiable information of the investors (and beneficial owners thereof) may be lost or improperly accessed, used, or disclosed.

*Business Continuity and Disaster Recovery.* WhiteHawk's business operations could become vulnerable to disruption in the case of catastrophic events such as fires, natural disaster (e.g., tornadoes, floods, hurricanes and earthquakes), epidemics and pandemics (as further detailed below), terrorist attacks or other circumstances resulting in property damage, network interruption and / or prolonged power outages. Although WhiteHawk has implemented various measures to manage risks relating to these types of events, there can be no assurances that all contingencies are planned for. If such business operations are disrupted or suspended for extended periods of time, the Funds may be adversely affected.

WhiteHawk developed and tested a business continuity and disaster recovery testing ("BCP") to provide protocols in an emergency, such as COVID-19. These procedures are designed to limit disruption in services and maintain efficient and effective operations. WhiteHawk has performed comprehensive Firm-wide business continuity and disaster recovery testing which has proven the Firm has a well-defined plan and its controls and policies are effective.

Public Health Emergencies. Any public health emergency, including but not limited to any outbreak, re-outbreak, or mutation of COVID-19, SARS, H1N1/09 flu avian flu, other coronavirus, Ebola or other existing or new epidemic diseases, or the threat thereof, could have a significant adverse impact on the Funds and their investments and could adversely affect the Firm's ability to fulfill a Fund's investment objectives. The extent of the impact of any public health emergency on a Fund's investments and operational and financial performance will depend on many factors, including the duration and scope of such public health emergency, the extent of any related travel advisories and restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, unemployment levels, consumer confidence and spending levels, and levels of economic activity and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. The effects of a public health emergency could materially and adversely impact the value and performance of a Fund's investments, the Firm's ability to source, manage and divest investments on behalf of a Fund, and the ability to achieve a Fund's investment objectives, all of which could result in significant losses to the investors. In addition, the operations of the Funds, their portfolio companies, and the Firm could be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors related to a public health emergency, including its potential adverse impact on the health of the personnel of any such entity or the personnel of any such entity's key service providers.

#### **Item 9 - Disciplinary Information**

None of WhiteHawk or any of its partners have been subject to any disciplinary action, whether criminal, civil or administrative (including regulatory) in any jurisdiction.

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

WhiteHawk nor any of its partners are affiliated with any other financial or advisory firms. Moreover, neither WhiteHawk nor any of its principals are registered, or have an application

pending to register, as a broker-dealer or registered representative of a broker-dealer, or any other regulated financial firm.

WhiteHawk III GP LLC is an affiliate of the Firm and serves as the general partner of WhiteHawk Fund III LP, WhiteHawk III Master Fund L.P. and WhiteHawk III Onshore Fund, LP.

WhiteHawk III Plus GP LLC is an affiliate of the Firm and serves as the general partner of WhiteHawk III-Plus Master Fund LP and WhiteHawk III-Plus Onshore Fund LP.

WhiteHawk IV GP LLC is an affiliate of the Firm and serves as the general partner of WhiteHawk IV Master Fund LP and WhiteHawk IV Onshore Fund LP.

WhiteHawk IV-Plus GP LLC is an affiliate of the Firm and serves as the general partner of WhiteHawk IV-Plus Master Fund LP and WhiteHawk IV-Plus Onshore Fund LP.

WhiteHawk Evergreen GP LLC is an affiliate of the Firm and serves as the general partner of the WhiteHawk Evergreen Fund LP.

WhiteHawk provides investment management services to more than one Fund and such Funds could have overlapping or conflicting investment objectives. In certain instances, related persons of WhiteHawk are also able to co-invest alongside Funds under certain circumstances. Participation in a specific investment opportunity could be appropriate for more than one Fund, in which event WhiteHawk will allocate the opportunity, which may not result in a *pro rata* allocation to all Funds. Accordingly, even Funds sharing similar strategies may not hold the same securities or instruments or achieve the same performance. However, WhiteHawk will always endeavor to allocate investments in a fair and equitable manner. Additionally, WhiteHawk has developed certain internal policies to address such conflicts.

## **Item 11 - Code of Ethics, Participation/Interest in Client Transactions, Personal Trading**

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

WhiteHawk has adopted a Code of Ethics pursuant to Rule 204A-1 under the Advisers Act for the purpose of instructing employees about their fiduciary obligations to clients and to provide rules for, among other things, their personal securities transactions. Fund investors or prospective Fund investors can obtain a copy of the Code of Ethics by contacting WhiteHawk's Chief Compliance Officer ("CCO").

### ***Participation or Interest in Client Transactions and Personal Trading***

Typically related persons do not have an interest, directly or indirectly, in a security, that has been purchased or sold on behalf of a Fund. However, should a related person have an interest in such security, a conflict of interest would arise as the reason for making such recommendation to a Fund could be to benefit the related person (i.e. by increasing the value of the security) rather than it being in the best interest of the Fund. WhiteHawk has developed policies and procedures to ensure that Funds' interests are not disadvantaged by a trade made by a related person and that a related person does not benefit personally from trades undertaken for the Funds. In particular, WhiteHawk's related persons must provide certain initial, annual and periodic reports to disclose holdings as well as reportable securities transactions. These reports



are periodically reviewed by the CCO, or his designee, to confirm compliance with WhiteHawk's personal trading policy.

## **Item 12 - Brokerage Practices**

### ***Selection of Brokers***

Due to the nature of WhiteHawk's business and the investment strategy, typically WhiteHawk does not transact through a broker dealer. In limited circumstances, Funds could invest in publicly-traded or other securities, which trades could be entered and executed through one or more broker dealer. In instances where the Firm utilizes a broker dealer to transact in such securities, the Firm will seek best execution and take all reasonable steps to obtain the best possible result, taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order. WhiteHawk.

### ***Research and Other Soft Dollar Benefits***

WhiteHawk does not currently and does not intend to enter into soft dollar arrangements with brokers. Soft dollar arrangements arise when an investment adviser obtains products and services, other than securities execution, from a broker in return for directing client securities transactions to the broker. Soft dollar arrangements would pose a conflict of interest for WhiteHawk in that such arrangements would allow WhiteHawk to pay with Fund commissions expenses that would otherwise be borne by WhiteHawk. Should WhiteHawk use Fund brokerage commissions (or markups or markdowns) to obtain research or other products or services, it would receive a benefit because it would not have to produce or pay for the research, products or services. WhiteHawk will have an incentive to select a broker based on WhiteHawk's interest in receiving the research or other products or services offered by such broker, rather than on Funds' interests in receiving most favorable execution.

Should WhiteHawk engage in soft dollar transactions, WhiteHawk intends to comply with the safe harbor requirements of Section 28(e) of the Securities Exchange Act of 1934, as amended.

### ***Brokerage for Client Referrals***

At this time, WhiteHawk does not currently nor intend to direct Fund brokerage business to brokers that refer prospective investors or clients.

### ***Trade Error Policy***

Subject to applicable law, WhiteHawk will generally reimburse the applicable Fund(s) for losses that occur as a result of trade errors resulting from WhiteHawk's willful default, fraud or gross negligence, as determined in accordance with the applicable Offering Documents.

### ***Aggregation of Orders***

Due to WhiteHawk's investment strategy, typically investment orders are not aggregated. However, should the Firm aggregate the purchase or sale of investment opportunities WhiteHawk will ensure the Funds are treated fairly and equitably in accordance with its fiduciary duty to obtain best execution for the Funds.

**Item 13 - Review of Accounts**

WhiteHawk reviews Fund portfolios continually for overall adherence with the investment strategy and investment guidelines.

WhiteHawk will, in its discretion, provide Fund investors with periodic performance estimates, performance attribution reports, exposure analysis, and other reporting on an as requested basis to specific investors. On an annual basis, investors receive a copy of the Fund's annual audited financial statements and, where applicable, a statement of taxable income (form K-1).

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

WhiteHawk may provide certain business, agency or consulting services to companies in a Fund's portfolio and may receive compensation from these companies in connection with such services. This compensation may, in many cases, offset a portion of the management fees paid by such Fund as disclosed in the Fund's Offering Documents. However, in other cases (e.g., reimbursements for out of pocket expenses directly related to a portfolio company), these fees may be in addition to such management fees.

WhiteHawk may enter into solicitation arrangements pursuant to which it compensates third parties for referrals that result in a potential investor becoming an investor in a Fund. Any fees payable to any such placement agents are borne by WhiteHawk indirectly through an offset against the management fee payable by the applicable Fund, although related expenses incurred pursuant to the relevant placement agent or similar agreement, including but not limited to placement agent travel, meal and entertainment expenses, typically are borne by the relevant Fund. Placement agents that introduce investors to a Fund are subject to a conflict of interest to the extent that they are compensated in connection with their introduction activities, and will ensure any such arrangements are disclosed to investors in connection with any such introductions. Such arrangements are conducted in a manner that is consistent with Rule 206(4)-1 under the Advisers Act and relevant SEC guidance.

**Item 15 - Custody**

Rule 206(4)-2 under the Advisers Act (the "**Custody Rule**"), requires advisers that have custody of client funds or securities to implement a set of controls designed to protect those client assets from being lost, misused, misappropriated or subject to financial reserves.

Advisers with custody of client funds and securities must maintain them with a qualified custodian defined under the amended rule to include banks and savings associations and registered broker-dealers.

In accordance with the Custody Rule, a qualified custodian will not be required to deliver quarterly account statements to the Funds or their investors as long as (a) the Funds are audited by an independent public accountant that is registered with, and subject to inspection by, the Public Company Accounting Oversight Board, (b) the Funds' audited financial statements are prepared in accordance with U.S. generally accepted accounting principles, and (c) annual audited financial statements are delivered to each Fund's investors within 120 days after the end of the applicable Fund's fiscal year.

WhiteHawk is deemed to have custody over the Funds' assets and will ensure the Funds are audited and the underlying investors receive copies of those financials.

**Item 16 - Investment Discretion**

WhiteHawk has discretionary authority to manage securities accounts on behalf of the Funds. The investors in the Fund generally will not have the ability to place any limits on WhiteHawk's authority beyond the limitations set forth in the applicable Fund's Offering Documents. Should WhiteHawk manage other Funds in the future, such Funds could negotiate certain risk and/or operating guidelines to which WhiteHawk will adhere when exercising its discretionary authority over such Funds.

**Item 17 - Voting Client Securities**

Although WhiteHawk typically does not have the opportunity to vote proxies, WhiteHawk has established proxy voting policies and procedures (the "**Proxy Voting Policy**") designed to ensure that proxies are voted in the best interest of the Funds.

The Proxy Voting Policy requires WhiteHawk, when voting proxies, to follow procedures designed to identify and address material conflicts that arise between its interests and those of its Funds. Accordingly, prior to voting any proxy, the CCO will determine whether a material conflict of interest exists and will either resolve the conflict or refer proxy vote to an outside service provider for its independent consideration.

In the absence of a material conflict, WhiteHawk will seek to act solely in the best interests of its Funds. WhiteHawk determines whether and how to vote proxies on a case-by-case basis. In making such determination, WhiteHawk: (a) will attempt to consider all aspects of the vote that could affect the value of the issuer or that of the relevant Funds; (b) will vote in a manner that it believes is consistent with the relevant Fund's stated objectives; (c) will generally vote in accordance with the recommendation of the issuing company's management on routine and administrative matters, unless WhiteHawk has a particular reason to vote to the contrary; and (d) will not vote at all to the extent the outcome of the vote or action does not have a material impact on the issuer or value of its securities.

Upon the request by a Fund investor, WhiteHawk will disclose to such Fund investor how it voted securities owned by the Fund. Fund investors can also contact WhiteHawk via e-mail or telephone to request a copy of its Proxy Voting Policy.

**Item 18 - Financial Information**

Registered investment advisers are required in this Item 18 to provide investors with certain financial information or disclosures about our financial condition. WhiteHawk has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to the Funds and has not been the subject of a bankruptcy proceeding.