

**Item 1 – Cover Page**  
**FIRM BROCHURE**

# SERCAPITAL

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March 28, 2024

This Part 2A of Form ADV (this “Brochure”) provides information about the qualifications and business practices of SER Capital Partners Management, LP (hereinafter “SER Capital,” the “Adviser” or “us”). If you have any questions about the contents of this Brochure, please contact us at (415) 873-1011. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. SER Capital is registered as an investment adviser with the SEC.

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

## **Item 2 – Material Changes**

This Brochure dated March 28, 2024, has been prepared by SER Capital as an amendment to the last annual update which occurred on March 30, 2023. There are no material changes to report since the last amendment, however, this revised Part 2 contains routine annual updates and enhanced disclosures. Recipients of this Brochure are encouraged to read the Brochure carefully in its entirety. SER Capital will send clients either an updated Brochure or a summary of material changes to this and subsequent Brochures on at least an annual basis. Clients are encouraged to read the Brochure in detail and contact the Firm with any questions. The latest version of this Brochure can be accessed via the SEC Website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or by requesting a copy of this Brochure by contacting Gil Melman, SER Capital's Chief Compliance Officer ("CCO") by calling SER Capital at (415) 873-1011.

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#### **Item 4 – Advisory Business**

SER Capital Is an investment adviser with its principal place of business located in Redwood City, CA. SER Capital was formed in 2020 and began operations the same year. The Adviser is privately held by its general partner, SER Capital Partners, LLC, which is controlled by Rahul Advani and Sara Graziano.

The Adviser provides investment advisory services to privately offered pooled investment funds (the “Funds”) that are exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”) and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”).

The Funds make primarily long-term private equity and equity-related investments. In accordance with the Funds’ respective investment objectives, investments are generally made in middle market companies doing business in sustainable industrial, environmental, and renewable sectors. The Adviser’s advisory services consist of investigating, identifying, and evaluating investment opportunities, structuring, negotiating, and making investments on behalf of the Funds, managing, and monitoring the performance of such investments and disposing of such investments. The Adviser serves as the investment adviser to the Funds in order to provide such services.

From time to time, SER Capital may allow Fund investors to invest in a co-investment vehicle alongside the Funds. Co-investment opportunities may not be available or offered to all Fund investors.

With respect to the Funds, SER Capital manages each Fund in accordance with the relevant limited partnership agreement, investment management agreement, offering memorandum, or other applicable Fund documentation (collectively, “Offering Documents”), where applicable.

Any Fund restrictions on investments are set forth in each respective Fund’s Offering Documents. SER Capital does not tailor its investment advice to the individual investors in each Fund that it manages. As such, investors cannot impose restrictions on the types of investments made through the Funds. Subject to applicable law and each Fund’s Offering Documents, the general partners of the Funds have entered into side letter arrangements with certain investors and may continue to do so in the future. Side letters have the effect of altering or supplementing the terms of such investors’ investments in a Fund, including reductions of fees. In the future, side letters could provide certain investors additional rights not otherwise available to other investors. To the extent such side letter arrangements exist, certain investors in a Fund will receive more favorable fees, access to information, liquidity, or other terms.

SER Capital does not participate in any wrap fee programs.

As of December 31, 2023, SER Capital managed approximately \$500 million in Client assets on a discretionary basis. SER Capital does not manage any Fund assets on a non-discretionary basis.

## **Item 5 – Fees and Compensation**

The Adviser or its affiliates generally receives a management fee (“Management Fee”) and performance-based compensation (“Performance Allocation”) (each as defined below) from each Fund (together, “Fees”). Management Fees and the Performance Allocation relating to each Fund are set forth in their respective Offering Documents. The general partners of the Funds and limited partners of the Funds who are affiliates, employees or other designees of SER Capital are not subject to paying Performance Allocation or Management Fees. The Funds, and/or their portfolio companies may also make other payments to the Adviser or its affiliates for services provided to the portfolio companies which, in certain circumstances, may reduce the Management Fees payable to the Adviser. Additionally, consistent with the Offering Documents of the Funds, the Funds typically bear certain out-of-pocket expenses incurred by the Adviser in connection with the services provided to the Funds and/or the portfolio companies. Further details about fees and expenses are set forth below.

### **Management Fee**

Management Fees for a Fund vary up to 2.00% of the Fund’s total capital commitments or the total value of the Fund’s investments depending on when such fees are paid in the life of the Fund. Certain Funds (and certain investors within a particular Fund) may pay reduced or no management fees. SER Capital reserves the right to negotiate, waive, reduce, rebate, or calculate differently its Management Fees with respect to any Fund investor. Management fees are offset for organizational expenses in excess of a specified cap, director’s fees, and certain other fees to which the Funds are entitled. For additional information, please refer to the specific offering documents for each Fund(s) which may contain different management fee provisions and payment structures than those described above.

SER Capital generally deducts Management Fees directly from a Fund’s account held at a qualified custodian in advance, on, or promptly after the first day of each quarter.

### **Performance Allocation**

The Performance Allocation varies by the terms of each Fund’s Offering Documents. The Performance Allocation may be up to 20% and is usually calculated based on distributable cash. Where a Performance Allocation is realized, it will be deducted as set forth in the Fund’s Offering Documents. Performance Allocations may be subject to hurdles and/or claw-backs, depending on, among other things the status of distributions relative to minimum valuation tests of the invested capital of the particular Fund and the need to make adjustments to the Performance Allocation based on final distribution calculations. SER Capital reserves the right to negotiate, waive, reduce, rebate, or calculate differently its Performance Allocation with respect to any Fund investor.

For additional information, please refer to the specific offering documents for each Fund(s) which may contain different Performance Allocation provisions and payment structures than those described above.

### **Additional Expenses**

The Funds will typically bear all costs and expenses incurred in connection with the organization of the Fund, including legal and accounting fees, printing costs, travel and out-of-pocket expenses, and all costs and expenses incurred related to organization of the Funds (collectively, “Organizational Expenses”). Such charges and fees are in addition to SER Capital’s Management Fees and Performance Allocation (if applicable).

The Funds are generally responsible for all expenses relating to their own operations (“Partnership Expenses”), including fees, costs and expenses directly related to the purchase and sale of Investments, principal, interest, fees, expenses and other amounts payable in respect of financings, custody fees and costs of other third-party services, costs relating to data provider services (including management systems and software), legal, accounting, engineering and other professional costs, any insurance, indemnity or litigation expenses, all costs of the Funds’ administration, including preparation of its financial statements and reports to Fund investors, costs of Fund investor meetings, including out-of-pocket expenses of certain Fund investors, expenses relating to regulatory compliance (excluding expenses related to compliance with the Investment Advisers Act of 1940), and any taxes, fees or other governmental charges levied against the Funds. In addition, the Funds will be responsible for all out-of-pocket costs and expenses in connection with prospective investments that are not consummated. Given the incurrence by the Advisor of various expenses for the benefit of multiple Funds, the Advisor will allocate portions of such expenses to applicable Funds using a variety of allocation mechanisms depending on the type of expense. If any operating expense or other cost is incurred jointly by more than one Fund, such costs and expenses are generally expected to be paid pro rata by such entities based on the net asset value of such entities. The Adviser has the discretion to cause such expenses to be paid by such Funds pursuant to another methodology if it reasonably determines that it would be fair and equitable to do so. The foregoing list is not intended to be exhaustive. The Offering Documents for each Fund provide for the entire list of Organizational Expenses and Partnership Expenses.

From time to time, certain affiliates of SER Capital (including the general partners of certain Funds) may receive monitoring fees, transaction fees, upfront fees, and/or break-up fees from transactions with certain portfolio companies in which the Funds are invested. In these cases, it is generally SER Capital’s policy to allocate the fees to offset the Management Fee payable to SER Capital by any Funds that participate in a transaction from which the fees were derived. Also, from time to time, employees or partners of SER Capital serve as directors with respect to portfolio companies in which certain Funds invest, and compensation may be paid to SER Capital, its affiliates, or its employees or partners for the provision of the director’s services. In these instances, it is generally SER Capital’s policy to allocate compensation received for serving as a director to offset the Management Fee of any Funds that participate in the transaction from which SER Capital derived the right to the board seat.

For a more complete discussion regarding fees and expenses applicable to a particular Fund, please refer to its Offering Documents.

Neither SER Capital, nor any of its supervised persons, accepts compensation for the sale of securities or other investment products.

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

As stated in Item 5 above, the Adviser or its affiliates receive performance-based compensation. Funds that pay performance-based compensation reward SER Capital for achieving positive investment performance for those Funds. Performance-based fees, in general, may create an incentive for an adviser or its supervised persons to make investments that are riskier and more speculative than would be the case in the absence of a performance-based fee. Such fee arrangements may also create an incentive to favor higher fee-paying clients over other clients in the allocation of investment opportunities. To address these conflicts of interest with respect to any future clients, the Adviser is implementing policies and procedures to ensure that all clients receive equitable and fair treatment over time with respect to the allocation of investment opportunities.

SER Capital makes determinations on the valuation of securities held by the Funds, which, in turn, determines the calculation of the Management Fee and the performance-based compensation it receives from such Funds. This creates an incentive for SER Capital to increase the value of such Funds' assets during the valuation process. SER Capital addresses this conflict of interest by using commonly used and recognized valuation methods in making valuation determinations. SER Capital has a formal policy to ensure that valuations are performed in a fair manner.

## **Item 7. Types of Clients.**

As described in Item 4, the Adviser currently provides investment advisory services to privately offered pooled investment funds including partnerships or other pooled investment vehicles formed under domestic or non-U.S. laws. These Funds are operated as investment pools that are excluded from the definition of an investment company under the 1940 Act. Fund investors generally include institutional investors and other sophisticated investors. Please note that investors in the Funds are not clients of SER Capital by virtue of their investment in a Fund.

Each Fund's Offering Documents impose a minimum contribution for investment, which varies from Fund to Fund, and is subject to SER Capital's sole discretion to accept contributions in lesser amounts. SER Capital may waive the minimum investment or contribution with respect to any Fund in its sole discretion.

Interests in the Funds are currently offered on a private placement basis, and where applicable, in reliance on Sections 3(c)(1) or 3(c)(7) of the 1940 Act, to persons who generally are "accredited investors" as defined under the Securities Act of 1933, as

amended (the “Securities Act”), and “qualified purchasers” as defined under the 1940 Act, and who are subject to certain other conditions, which are fully set forth in the Offering Documents of such Funds. Interests in, or shares of, non-U.S. Funds are generally offered to persons who are not “U.S. Persons” as defined under Regulation S of the Securities Act, or who are tax-exempt U.S. Persons (or entities substantially comprised of tax-exempt U.S. Persons) on a private placement basis, and who are subject to certain other conditions, which are fully set forth in the Offering Documents of such Funds.

In order to invest in a Fund that is subject to a performance fee, an investor must be a “qualified client” as defined by Section 205 of the Advisers Act, and Rule 205-3 thereunder.

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

The Funds generally will make private equity investments with a primary focus on North American sustainable, middle-market private equity businesses/assets where SER can take a controlling ownership interest and partner with management teams. The Funds intend to target companies that are under \$500 million of enterprise value, and will focus on opportunities in the sustainable industrial, environmental, and renewable sectors.

### **Material Risk Factors**

In considering participation in the Fund, a prospective investor should be aware of certain risk factors, which include, but are not limited to, the following:

*Investing in securities involves risk of loss that Funds should be prepared to bear. The investment performance and the success of any investment strategy or particular investment can never be predicted or guaranteed, and the value of a Fund’s investments will fluctuate due to market conditions and other factors. The investment decisions made and the actions taken in managing Fund assets are subject to various market, liquidity, currency, economic, political, and other risks, and investments may lose value.*

The information contained in this Brochure cannot disclose every potential risk associated with an investment strategy, or all of the risks applicable to SER Capital or a particular security or investment. Rather, it is a general description of the nature and risks of the advisory services provided by SER Capital and the related investments. This summary is qualified in its entirety by reference to the Offering Documents that apply to each of the Funds managed by SER Capital. Investors should carefully read such documentation before making an investment and should refer to the applicable Offering Documents for a particular Fund for the risk factors associated with that Fund.

*Business Risks; Investment in Junior Securities.* A Fund investment portfolio may consist primarily of securities issued by privately held companies, and operating results in a specified period will be difficult to predict. Generally, there will be no readily available market for a substantial number a Fund’s investments, and hence, most of a Fund’s



investments will be difficult to value. Also, securities in which a Fund will invest may be among the most junior in a portfolio company's capital structure and, thus, subject to the greatest risk of loss. In general, there will be no collateral to protect an investment once made. The Funds' investments involve a high degree of business and financial risk that can result in substantial losses. Moreover, a Fund's methods of minimizing business and investment risks along with broader market risks may not accurately or adequately address future risk exposures. A Fund's general partner's (the "General Partner") risk management techniques are based in part on the observation of historical market behavior, which may not predict market divergences that are larger than historical indicators. Also, information used to manage such risks may not be accurate, complete, or current, and such information may be misinterpreted. In certain situations, the General Partner may not be able to, or may choose not to, implement risk management strategies for a Fund because of the costs involved or other relevant circumstances, and even if risk management strategies are utilized, such strategies will not fully insulate a Fund from the risks inherent in its investment activities. While the General Partner intends for a Fund to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurances that any targeted internal rate of return will be achieved. On any given investment, loss of principal is possible.

*Concentration of Investments.* A Fund will participate in a limited number of investments and intends to make most of its investments in one industry or one industry segment or within a short period of time. As further set forth above in "Summary of Principal Terms – Diversification Restrictions," a Fund may in certain situations be permitted to make an individual investment exceeding 30% of the aggregate Capital Commitments of all Partners. Moreover, to the extent a Fund concentrates investments in a particular industry segment or geographic region, its investments will become more susceptible to fluctuations in value resulting from adverse economic and/or business conditions with respect thereto. As a consequence, the aggregate return of a Fund may be adversely affected by the unfavorable performance of one or a small number of investments, geographic regions, or industry segments. Furthermore, to the extent that the capital raised is less than the targeted amount, a Fund may invest in fewer portfolio companies and thus be less diversified.

*Lack of Adequate Investment Opportunities.* The business of identifying, structuring, and completing private equity transactions is highly competitive and involves a high degree of uncertainty. It is possible that a Fund will never be fully invested if enough sufficiently attractive investments are not identified. However, Limited Partners will be required to pay Management Fees during the Commitment Period based on the entire amount of their Capital Commitments.

*Illiquidity; Lack of Current Distributions.* An investment in a Fund should be viewed as illiquid. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment. While an investment may be sold at any time, it is generally expected that this will not occur for a number of years after the initial

investment. Before such time, there may be no current return on the investment. Furthermore, the expenses of operating a Fund (including the Management Fee payable to the Manager) may exceed its income, thereby requiring that the difference be paid from a Fund's capital, including unfunded Capital Commitments.

*Leveraged Investments.* A Fund may make use of leverage, directly or indirectly through one or more special purpose vehicles, by incurring debt (or having a portfolio company incur debt) to finance a portion of its investment in a given portfolio company or project. Although leverage has the potential to enhance overall returns that exceed a Fund's overall cost of funds, it will further diminish returns (or increase losses on capital) to the extent overall returns are less than a Fund's cost of funds. Accordingly, any event that adversely affects the value of an investment by a Fund would be magnified to the extent leverage is used. The cumulative effect of the use of leverage by a Fund in a market that moves adversely to a Fund's investment could result in a loss to a Fund that would be greater than if the leverage had not been used. A Fund may incur indebtedness on a portfolio-wide basis or against specific investments. The use of leverage at the Fund level will result in interest expense and other costs to a Fund that may not be covered by distributions made to a Fund or appreciation of its investments. The extent to which a Fund uses leverage will have important consequences to the partners, including the following: (i) greater fluctuations in the net assets of a Fund, (ii) use of cash flow for debt service, distributions, or other purposes, (iii) to the extent that a Fund revenues are required to meet principal payments, the partners may be allocated income (and therefore tax liability) in excess of cash available for distribution and (iv) in certain circumstances a Fund may be required to prematurely harvest investments to service its debt obligations. There also can be no assurance that a Fund or a portfolio company will have sufficient cash flow to meet their respective debt service obligations, which likely would result in losses. Also, a Fund's exposure to losses may be increased due to the illiquidity of its investments generally. Unfavorable performance of a small number of such investments may result in amplified losses for a Fund and limit a Fund's ability to invest in the future.

Leverage at the portfolio company or project level often imposes restrictive financial and operating covenants, in addition to the burden of debt service, and may impair the ability to finance future operations and capital needs. The leveraged capital structure of portfolio companies and projects will increase the exposure of a Fund's investments to any deterioration in a company's or project's condition or industry, competitive pressures, an adverse economic environment, or rising interest rates and could accelerate and magnify declines in the value of a Fund's investments in the leveraged portfolio companies and projects in a down market. In the event any portfolio company or project cannot generate adequate cash flow to meet debt service, a Fund may suffer a partial or total loss of capital invested in the portfolio company or project, which could adversely affect the returns of a Fund. Furthermore, should the credit markets be limited or costly at the time a Fund determines that it is desirable to sell all or a part of a portfolio company, a Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Moreover, the companies and projects in which a Fund will invest may not be rated by a credit rating agency.

A Fund may, directly or indirectly through one or more special purpose vehicles, make contingent funding commitments to its portfolio companies or projects and provide credit support for such obligations. Such credit support may take the form of a guarantee, a letter of credit or a pledge of a portion of a Fund's Capital Commitments to a lender. The General Partner may be required to segregate unfunded Capital Commitments sufficient to satisfy a Fund's obligations with respect to any such credit support. Utilization of the credit support will result in fees, expenses, and interest costs to a Fund, and may result in an under-utilization of a Fund's capital. In the event that one or more Limited Partners fail to satisfy a drawdown or otherwise default on their contribution obligations pursuant to any such credit support, such amount would be drawn from non-defaulting Limited Partners. Subject to limitations in the Fund Agreement, a Fund may also leverage its investment return with options, short sales, swaps, forwards, and other derivative instruments.

In connection with any indebtedness incurred by a Fund, or any such credit support provided by a Fund, a Fund and/or the General Partner may pledge the assets of a Fund and may make a collateral assignment to any lender, or other credit party of a Fund, of the General Partner's and a Fund's rights to draw down capital from the Limited Partners and other related rights, titles, interests, remedies, powers and privileges of a Fund and/or the General Partner with respect to the Capital Commitments and rights to the capital contributions of the Limited Partners. It is possible that the Limited Partners will be required to acknowledge and consent to any such pledge or assignment and provide certain information and/or legal opinions as required by the lender or other credit party.

A Fund's assets, including any investments made by a Fund, the Capital Commitments of the Partners, and any capital held by a Fund, are available to satisfy all liabilities and other obligations of a Fund. If a Fund defaults on secured indebtedness, the lender may foreclose and a Fund could lose its entire investment in the security for such loan. Parties seeking to have the liability satisfied may have recourse to a Fund's assets generally and not be limited to any particular asset and may require the Partners to contribute their Capital Commitments in order to satisfy such liabilities.

The cost and availability of leverage are highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. There can be no assurance that a Fund or its portfolio companies will be able to obtain indebtedness on terms available to any predecessor or affiliated fund or to portfolio companies or to competitors, including terms that may be currently available in the market, or that indebtedness will be accessible at any time, and to the extent that it is available there can be no assurance that such indebtedness will be on terms favorable to a Fund or a portfolio company, including with respect to interest rates, or that such indebtedness will remain available throughout the term of a Fund. The failure to obtain indebtedness on favorable terms (or at all) could adversely affect the returns of a Fund.

It is possible that a Fund may decide to repay any leverage with funds drawn from the Capital Commitments of the Limited Partners or to make future investments with little or no corresponding leverage. If a Fund decides to pay down its leverage or to make its investments with little or no leverage, the returns of the limited partners of a Fund may be adversely affected.

*Limited Transferability of Fund Interests.* There will be no public market for interests in the Funds, and none is expected to develop. There are substantial restrictions upon the transferability of Fund interests under the Fund Agreements and applicable securities laws. In general, withdrawals of Fund interests are not permitted. In addition, Fund interests are not redeemable.

*Restricted Nature of Investment Positions; Distributions in Kind.* Generally, there will be no readily available market for a substantial number of a Fund investments, and hence, most of a Fund's investments will be difficult to value. Certain investments may be distributed in kind to the Partners and it may be difficult to liquidate the securities received at a price or within a time period that is determined to be ideal by such Partners. After a distribution of securities is made to the Partners, many Partners may decide to liquidate such securities within a short period of time, which could have an adverse impact on the price of such securities. The price at which such securities may be sold by such Partners may be lower than the value of such securities determined pursuant to the Fund Agreement, including the value used to determine the amount of carried interest available to the General Partner with respect to such investment.

*Enhanced Scrutiny and Certain Effects of Potential Regulatory Changes.* There continue to be discussions regarding enhanced governmental scrutiny and/or increased regulation of the asset management industry and the Fund's underlying target sectors. There can be no assurance that any such scrutiny or regulation will not have an adverse impact on a Fund's activities, including the ability of a Fund to effectively and timely address such regulations, implement operating improvements or otherwise execute its investment strategy or achieve its investment objectives. In particular, a Fund may be required to incur additional costs and expenses in implementing structural changes in the conduct of a Fund's business, including to establish greater substance in certain jurisdictions in which a Fund invests or proposes to invest, and a Fund may also become directly or indirectly subject to additional tax liabilities (for example through restrictions on or denial of the deductibility of interest expenses against taxable profits). The foregoing may make it less attractive or impractical to continue to invest in one or more jurisdictions. Additionally, such additional scrutiny may divert the General Partner's time, attention, and resources from portfolio management activities.

The combination of such scrutiny of asset managers and their investments by various politicians, regulators and market commentators, and the public perception that certain alternative asset managers, including private equity and credit firms, contributed to the past downturns in the United States and global financial markets, may complicate or prevent a Fund's efforts to structure, consummate and/or exit investments, both in general and relative to competing bidders outside of the alternative asset space. As a result, a Fund

may invest in fewer transactions or incur greater expenses or delays in completing or exiting investments than it otherwise would have.

*Need for Follow-On Investments.* Following its initial investment in a given portfolio company or project, a Fund may decide to provide additional funds to such portfolio company or project or may have the opportunity to increase its investment in a successful portfolio company or project. There is no assurance that a Fund will make follow-on investments or that a Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make follow-on investments or its inability to make such investments may have a substantial negative effect on a portfolio company or project in need of such an investment. Additionally, a Fund may not participate in follow-on investments on a pro rata basis with other SER Funds. The failure to make such investments may result in a lost opportunity for a Fund to increase its participation in a successful portfolio company or project or the dilution of a Fund's ownership in a portfolio company or project if a third party invests in such portfolio company or project.

*Potential for Early-Stage and Start-Up Investments.* A Fund may make investments in early-stage and start-up companies and projects that have inherently greater risk than more established companies and projects. Accordingly, the growth and development of these companies and projects may require significant time and effort resulting in a longer investment horizon than can be expected with lower risk investment alternatives. Such investments can experience failure or substantial declines in value at any stage. There is no assurance that such investments by a Fund will be successful.

*Bridge Financings.* From time to time, a Fund may lend to portfolio companies or provide project financing on a short-term, secured, or unsecured basis in anticipation of a future issuance of equity or long-term debt securities or other refinancing. Such bridge loans would typically be convertible into a more permanent, long-term security. However, for reasons not always in a Fund's control, such issuance of long-term securities or other refinancing may not occur and such bridge loans may remain outstanding. In such event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by a Fund.

*Platform Investments.* From time to time, a Fund may recruit a management team to pursue a new "platform" opportunity to lead to the formation of a future portfolio company. In other cases, a Fund may form a new portfolio company and recruit a management team to build the portfolio company through acquisitions and organic growth. In both cases, a Fund will bear the expenses of the management team or portfolio company, as the case may be, including any overhead expenses, diligence expenses or other related expenses in connection with backing the management team or building out of the platform company. Such expenses may be borne directly by a Fund as a fund expense or indirectly as a Fund bears the start-up and ongoing expenses of the newly formed platform portfolio company. None of these expenses will offset any management fee paid to the Manager or the General Partner by a Fund.

*Uncertain Economic, Social and Political Environment.* The global economic and political climate can be uncertain. Prior acts of terrorism, the threat of additional terrorist strikes and the fear of a prolonged global conflict have exacerbated volatility in the financial markets and can cause consumer, corporate and financial confidence to weaken, increasing the risk of a “self-reinforcing” economic downturn. The availability of credit for consumers, homeowners, and businesses, including credit used to acquire businesses, may be restricted. This may have an adverse effect on the economy generally and on the ability of a Fund and its portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of their businesses. A climate of uncertainty may reduce the availability of potential investment opportunities and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections.

*Epidemics and Other Health Risks.* The Advisor’s business activities as well as the activities of the Funds and the activities and operations of the portfolio companies could be materially adversely affected by outbreaks of disease, epidemics and public health issues in Asia, Europe, North America, the Middle East and/or globally, such as COVID-19 (and other novel coronaviruses), Ebola, H1N1 flu, H7N9 flu, H5N1 flu, Severe Acute Respiratory Syndrome, or SARS, or other epidemics, pandemics, outbreaks of disease or public health issues. An outbreak of any kind of epidemic, communicable disease, virus, or major public health issue could cause a slowdown in the levels of economic activity generally (or push the world or local economies into recession), which would adversely affect the business, financial condition, and operations of the Funds. Should these or other major public health issues, including pandemics, arise or spread farther (or continue to worsen), the Funds could also be adversely affected by more stringent travel restrictions (such as mandatory quarantines and social distancing), additional limitations on the Funds’ operations or business and governmental actions limiting the movement of people and goods between regions and other activities or operations.

*Market Conditions.* The capital markets have experienced great volatility and financial turmoil. Moreover, governmental measures undertaken in response to such turmoil (whether regulatory or financial in nature) may have a negative effect on market conditions. General fluctuations in the market prices of securities and economic conditions generally may reduce the availability of attractive investment opportunities for a Fund and may affect a Fund’s ability to make investments. Instability in the securities markets and economic conditions generally (including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates) may also increase the risks inherent in a Fund’s investments and could have a negative impact on the performance and/or valuation of a Fund’s investments. A Fund’s performance can be affected by deterioration in the capital markets and by market events, such as the onset of the credit crisis in the summer of 2007 or the downgrading of the credit rating of the United States in 2011, which can impact the public market comparable earnings multiples used to value privately held companies and investors’ risk-free rate of return. Movements in foreign exchange rates may adversely affect the value of a Fund’s investments and its overall performance. Volatility and illiquidity in the financial sector may have an adverse effect on the ability of a Fund to sell and/or partially dispose of its investments. Such adverse

effects may include the requirement of a Fund to pay break-up and other expenses in the event a Fund is not able to close a transaction (whether due to the lenders' unwillingness to provide previously committed financing or otherwise) and/or the inability of a Fund to dispose of investments at prices that the General Partner believes reflect the fair value of such investments. With respect to any publicly traded securities, the value of such securities may be volatile and difficult to sell as a block, even following a realization through listing. The impact of market and other economic events may also affect a Fund's ability to raise funding to support its investment objective.

*Allocations of Investment Opportunities.* Certain inherent conflicts of interest arise from the fact that SER provides investment management services both to a Fund and the other SER Funds. SER may give advice and make investment recommendations to other SER Funds that may differ from advice given to, or investment recommendations made to, a Fund, even though their investment objectives may be the same or similar to those of a Fund. Conversely, participation in specific investment opportunities may be appropriate, at times, for both a Fund and one or more other SER Funds. Allocation of identified investment opportunities among a Fund and other SER Funds presents inherent conflicts of interest, particularly where demand exceeds available supply.

As a general matter, and subject to the Fund Agreement and the governing agreements of the other SER Funds, as applicable, the Advisor will allocate investment opportunities between a Fund and any other SER Funds in a manner that is consistent with an allocation methodology established by SER to seek to allocate opportunities on a basis SER believes to be fair and reasonable over time. In making such allocation determinations, the Advisor may take into account a variety of factors, which may vary from opportunity to opportunity, such as the sourcing of the transaction, the nature of the investment focus of each Fund and such other SER Funds, the relative amounts of capital available for investment (including for follow-on investments), portfolio diversification, applicable investment restrictions, expected duration of the applicable investment, any requirements contained in the Offering Documents of each Fund and such other SER Funds and any other considerations deemed relevant by the Advisor in good faith. SER's allocation of investment opportunities among a Fund and the other SER Funds in the manner discussed above may result in the allocation of all or none of an investment opportunity to a Fund, or a disproportional allocation among such persons, with such allocations being more or less advantageous to certain persons relative to other persons. Nothing in the Fund Agreement affects or restricts the ability of the General Partner or its affiliates to allocate investments to any separate account in their sole and absolute discretion without offering any such investment opportunity to a Fund. Limited Partners should note that the conflicts inherent in making such allocation decisions may not always be resolved to the advantage of a Fund. An independent third party may not have made the same allocation decision as SER.

*Valuation of Assets.* There may not be an actively traded market for the securities owned by a Fund. When estimating fair value, the General Partner will apply a methodology it determines to be appropriate based on accounting guidelines and the applicable nature, facts, and circumstances of the respective investments. Valuations generally are subject

to multiple levels of review. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such securities and may differ from the prices at which such securities ultimately may be sold. The exercise of discretion in valuation by the General Partner may give rise to conflicts of interest, including in connection with determining the amount and timing of distributions of Carried Interest and the calculation of Management Fees.

*Cyber Security Breaches and Identity Theft.* The General Partner, a Fund and a Fund's investments generally rely on information technology systems for current and planned operations. Information and technology systems of the General Partner and a Fund's portfolio companies and projects may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes, and earthquakes. If any systems designed to manage such risks are compromised, become inoperable for extended periods of time, or cease to function properly, the General Partner, a Fund, a portfolio company, or project may have to make a significant investment to fix or replace them. Any disruption in any of these systems or the failure of any of these systems to operate as expected could, depending on the magnitude of the problem, adversely affect a Fund's investment results and its ability to make distributions to its Partners. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the General Partner's, a Fund's, a company's and/or a project's operations and result in a failure to maintain the security, confidentiality, or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm the General Partner's, a Fund's, a company's and/or a project's reputation, subject them and their respective affiliates to legal claims and otherwise affect their business and financial performance.

### **Risks Relating to Making and Holding Sustainable Industrial, Environmental, and Renewable Subsector Investments**

Investments in the sustainable, environmental, and renewable industry sectors involve a variety of risks. Such investments involve certain operational risks, which include: the possibility of performing below expected levels of output, availability, or efficiency; interruptions in supply of feedstock or other necessary provisions; increases in the cost of equipment, consumables, or other necessary supplies; catastrophic events; disruptions in the offtake of or the transmission of energy; power shutdowns; and breakdown or failure of equipment or processes. The performance of certain investments may be dependent upon prevailing prices of certain commodities, including the price of electricity.

Investment in projects and facilities at an early stage of development involve risks of failure to secure or substantial delays in securing offtake agreements, real property rights, required approvals or permits, financing, and suitable supply and service contracts. These investments also involve construction risk, including the risk of substantial delay or



increase in the cost of construction due to a number of unforeseen factors. As a result of such uncertainties, a project or facility in development may not be completed. Further, there is no assurance that such projects will be profitable or generate cash flow sufficient to pay operating expenses, service their debt or provide a return on or recovery of amounts invested therein.

The market for decarbonization continues to evolve. If the demand for renewable energy or net zero products or services slows (including as a result of changes in indirect market conditions), a Fund's investments may be adversely affected. A portfolio company or project in which a Fund invests could be materially and adversely affected as a result of new laws or regulations, or statutory or regulatory changes or changes in judicial or administrative interpretations of existing laws and regulations that impose more comprehensive or stringent requirements on such company or project, the markets in which such company or project operates or such company's or project's industry generally. Such changes could materially and adversely affect the performance of one or more of a Fund's investments.

*Environmental Liabilities and Risks.* Several U.S. federal environmental regulatory programs could potentially impact a Fund's portfolio companies, including the Clean Air Act, the Clean Water Act, the Comprehensive Environmental Response, Compensation, and Liability Act, the Resource Conservation and Recovery Act, the Endangered Species Act, and the National Environmental Policy Act. Several state or local environmental regulatory programs, statutes, and regulations could also impact a Fund's portfolio companies. If a Fund's portfolio companies are subject to benefit or liability under these environmental laws or regulations, there could be a material and adverse impact on a Fund's financial performance. Under certain circumstances, environmental authorities and other parties may seek to impose personal liability on the limited partners of a partnership (such as a Fund) subject to environmental liability. However, a Limited Partner in a Fund may reduce its risk of such personal liability by avoiding activities with respect to a Fund's portfolio investments other than as specifically contemplated by the Fund Agreement.

## **Tax Risk Factors**

Future legal, tax and regulatory changes could occur that may adversely affect SER Capital or the Funds. The regulatory environment for private funds is evolving, and changes in regulations that impact private funds and an increase in regulatory scrutiny of the alternative investment industry may adversely affect the value of investments held by a Fund and the ability of a Fund to pursue its investment strategy. The SEC, other regulators and self-regulatory organizations and exchanges have taken various extraordinary actions in connection with recent and past market events and may take additional actions. A Fund may also be adversely affected by changes in the enforcement or interpretation of existing laws, rules, and regulations, including tax laws, by federal, state, and non-U.S. agencies, courts, authorities, or regulators. The effect of any future regulatory changes on a Fund or SER Capital could be substantial and potentially adverse.

### Financial Institution Risk

Actual 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 a Fund'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 to meet operating expenses, 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, Fund performance, or business operations.

### Inflation

A Fund's performance may be adversely affected by inflationary conditions in any market in which the Fund operates or in which its investments are located. Deterioration in economic conditions, or a significant rise in inflation, could cause a decrease in the relative value of any fixed income investments (or similar investments with fixed rates of return), bankruptcy and insolvency filings to increase, and the ability of borrowers to pay their debts or counterparties to satisfy their obligations could be adversely affected. This may in turn adversely impact a Fund's business and financial results. If global credit market conditions and the stability of global banks deteriorate, the amount of lending and financing could be reduced, thus reducing the volume of investments available for purchase, which could adversely affect a Fund's business, financial results, and ability to succeed in various markets. Other factors associated with the economy that could influence a Fund's performance include the financial stability of the lenders on any bank loans and credit facilities and a Fund's access to capital and credit. Furthermore, inflationary pressures may result in the reduction of the value and relative performance of a Fund's portfolio companies.

## **Item 9. Disciplinary Information**

Neither SER Capital nor any of its management persons has any reportable disciplinary events.

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

Neither SER Capital nor its management persons are registered or have an application pending to register as a broker-dealer or registered representative of a broker-dealer.

Neither SER Capital nor its management persons are registered or have an application pending to register as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

Each Fund's general partner is an affiliate of SER Capital and is controlled by Rahul Advani and Sara Graziano. SER Capital and the general partners share personnel who are responsible for managing the investments of multiple Funds. Although SER Capital believes its research efforts are synergistic for all of its Funds, this simultaneous management creates conflicts as to the amount of time and resources committed by SER Capital's personnel to managing each Fund's portfolio of investments. SER Capital will devote as much time to each of its Funds as it deems appropriate to perform its duties in accordance with each Fund's applicable Offering Documents. SER Capital also mitigates this conflict through disclosure to its Funds and investors, as well as through policies and procedures that prohibit SER Capital's personnel from unduly favoring any one Fund over another.

As mentioned in Item 5, from time to time, certain of SER Capital's employees or partners receive compensation for serving as directors of portfolio companies in which certain Funds invest. In these instances, the amount of compensation received by SER's Capital's employee or partner may offset the applicable Fund's Management Fee payable to SER Capital. For more information about how a Fund's Management Fee may be offset, please refer to the applicable Fund's Offering Documents.

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

### **Code of Ethics**

The Adviser has adopted a written Code of Ethics that is applicable to all supervised persons that describes, among other things, SER Capital's standard of business conduct and fiduciary duty to the Funds. The Code of Ethics, which is designed to comply with Rule 204A-1 under the Investment Advisers Act of 1940 (as amended, the "Advisers Act"), establishes guidelines for professional conduct and personal trading procedures, including certain pre-clearance and reporting obligations.

A copy of the Code of Ethics is available to any client or prospective client upon written request to: SER Capital, 3 Twin Dolphin Drive, Suite 260, Redwood City, CA 94065.

SER Capital addresses potential conflicts through regular monitoring of Fund portfolios for consistency with Fund objectives, strategies, and target capacity. Further, SER Capital

carefully considers the risks involved in any investment and provides extensive disclosure to Funds and investors regarding the risks related to investing with SER Capital. Many of the Funds have procedures to address conflicts of interest through their Offering Documents, which may include consultation with a limited partner advisory committee, consent of the such committee or consent of a majority in interest of the limited partners, depending on the nature of the conflict-of interest.

### **Personal Trading**

Per SER Capital's Code of Ethics, employees of SER Capital (and their immediate family members) and its affiliates are generally permitted to trade securities for their own accounts. In addition, employees of SER Capital and its affiliates (and their immediate family members) are required to preclear certain securities transactions, including transactions involving securities in an initial public offering or in a private placement. The Code of Ethics is designed to assure that the personal securities transactions, activities, and interests of the employees of SER Capital will not interfere with (a) making decisions in the best interest of its Funds and (b) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Employee trading is monitored to detect and prevent conflicts of interest between SER Capital and its Funds. SER Capital requires employees to submit initial and annual holdings reports detailing each employee's trading positions, as well as quarterly transaction reports.

### **Participation or Interest in Fund Transactions**

The Adviser and certain employees and affiliates of the Adviser invest in and alongside the Funds, either through the General Partners, as direct investors in the Funds or otherwise. A Fund or its General Partner, as applicable, has in the past and is expected in the future to reduce all or a portion of the Management Fee and Performance Allocation related to investments held by such persons.

Due in part to the fact that potential investors in a Fund (including purchasers of a limited partner's interests in a secondary transaction) or a co-investment opportunity could ask different questions and request different information, the Adviser can provide certain information to one or more prospective investors that it does not provide to all the prospective investors or limited partners.

### **Material Non-Public Information**

SER Capital maintains policies and procedures that are designed to detect and prevent the misuse of material nonpublic information by SER Capital and its employees. In accordance with these policies, to prevent trading of public securities based on material nonpublic information, SER Capital maintains and updates as needed a "restricted list" of companies about which SER Capital employees have or expect to receive material, nonpublic information.

As discussed in Item 5, from time to time, SER Capital's employees or partners serve as directors of Fund portfolio companies. By serving in this capacity, it is possible that a director will obtain material non-public information with respect to the applicable portfolio company. In the event that SER Capital's employees or partners acquire material, nonpublic information, SER Capital's internal trading policies and procedures prohibit SER Capital and its employees, for a period of time, from acting upon any such information, even if that would be financially beneficial, to SER Capital, its employees, and/or its Funds. Due to these restrictions, SER Capital may not be able to initiate transactions on behalf of its Funds that it may otherwise have initiated, including being prevented from selling an investment that it otherwise might have sold.

### **Gifts and Entertainment**

The Code of Ethics restricts SER employees from giving a gift to, receiving a gift from, or giving or accepting entertainment to or from certain third parties if such gift or entertainment is likely to compromise the independence of its recipient or his/her judgment and is likely to cast doubts over his/her integrity or to seem disproportionate to the business relationship. Certain limits, reporting requirements and prohibitions have been established with respect to giving and the receipt of gifts above certain thresholds.

### **Outside Business Activities**

SER employees may engage in worthy activities for their community or personal development. Such activities, however, should not impair the working efficiency or responsibilities of the individual. SER employees may from time to time be asked to serve as a director, adviser, consultant, or employee or engage in other forms of participation in other companies or organizations. Because such commitments often involve substantial responsibilities, or they present actual or apparent conflicts of interest, SER employees are required to obtain approval prior to accepting such positions.

## **Item 12. Brokerage Practices**

SER Capital focuses on making investments in private securities, thus it does not ordinarily deal with any financial intermediary such as a broker-dealer in the public markets, and commissions are not ordinarily payable in connection with such investments. To the limited extent SER Capital transacts in public securities, it intends to select brokers based upon the broker's ability to provide best execution for the Funds. SER Capital is generally authorized to make the following determinations, subject to the Funds' investment objectives and restrictions, without obtaining prior consent from the relevant Fund or any of their investors: (1) which securities or other instruments to buy or sell; (2) the total amount of securities or other instruments to buy or sell; (3) the executing broker or dealer for any transaction; and (4) the commission rates or commission equivalents charged for transactions. In making its decisions regarding the allocation of brokerage

transactions for the Funds, SER Capital will consider a variety of factors including but not limited to: (i) the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); (ii) the operational efficiency with which transactions are effected (such as prompt and accurate confirmation and delivery), taking into account the size of order and difficulty of execution; (iii) the financial strength, integrity and stability of the broker-dealer or counter party; and (iv) the competitiveness of commission rates in comparison with other broker-dealers. Although SER Capital generally seeks competitive commission rates and commission equivalents, it will not necessarily pay the lowest commission or equivalent. Transactions may involve specialized services on the part of a broker-dealer, which may justify higher commissions and equivalents than would be the case for more routine services. The Firm does not participate in any soft dollar arrangements outside of receiving research available to other institutional investors.

### **Item 13. Review of Accounts**

#### **Oversight and Monitoring**

The investment portfolios of the Funds are generally private, illiquid, and long-term in nature, and accordingly the Adviser's review of them is not directed toward a short-term decision to dispose of securities. However, the Adviser closely monitors the portfolio companies of the Funds and generally maintains an ongoing oversight position in such portfolio companies. The portfolios are reviewed by a team of investment professionals on an on-going basis. The team generally includes partners and other investment professionals of the Adviser.

#### **Reporting**

Investors in the Funds typically receive, among other things, a copy of audited financial statements of the relevant Fund within 120 days after the fiscal year end of such Fund, as well as quarterly performance reports within 60 days after each fiscal quarter end. SER Capital will from time to time, in its sole discretion, provide additional information relating to such Fund to one or more investors in such Fund as they deem appropriate.

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

The Adviser does not receive any economic benefit, including sales awards or prizes, from any third party for providing advisory services to the Funds. Any arrangement to compensate a person or entity for soliciting business or potential Funds for the Adviser must be first proposed to, and approved, by the CCO. The CCO will maintain a file of approved solicitors. Such file will contain (i) the name of the solicitor, (ii) the date on which the solicitor was approved by the CCO, (iii) the date on which the Company

engaged the solicitor, if any, and (iv) a copy of the solicitation agreement between the solicitor and the Adviser.

### **Item 15. Custody**

Except as described below, SER Capital does not maintain physical possession over any Fund funds or securities.

The Adviser is deemed, under Rule 206(4)-2 of the Advisers Act, to have custody of the assets of the Funds by virtue of the common control of the Adviser and the General Partners of the Funds. All assets and securities of the Funds are held by qualified custodians. As noted in Item 13 above, the Funds' investors receive annual financial statements audited by an independent public accounting firm. The Funds' investors are urged to carefully review these statements.

### **Item 16. Investment Discretion**

Investment advice is provided directly to the Funds, subject to the direction and control of the General Partner of each Fund, and not individually to the investors in the Funds. Services are provided to the Funds in accordance with the Offering Documents of the applicable Fund. Investment restrictions for the Funds, if any, are generally established in the Offering Documents of the applicable Fund.

### **Item 17. Voting Client Securities**

The Adviser has adopted Proxy Voting Policies and Procedures (the "Proxy Policy") to address how it will vote proxies, as applicable, for the Funds' (and any Funds') portfolio investments. The Proxy Policy seeks to ensure that the Adviser votes proxies (or similar instruments) in the best interest of the Fund(s), including where there may be material conflicts of interest in voting proxies. The Adviser generally believes its interests are aligned with those of each Fund's investors. In the event that there is or may be a conflict of interest in voting proxies, the Proxy Policy provides that the Adviser may address the conflict using several alternatives, including by seeking the advice of the CCO to determine how to vote the proxy consistent with the best interest of a Fund and in a manner not affected by any conflicts of interest. The Adviser does not consider receipt of management or other fees from portfolio companies to create a material conflict of interest in voting proxies with respect to such companies. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines followed by the Adviser when voting proxies on behalf of a Fund. Copies of relevant proxy logs that identify how proxies were voted in connection with a Fund, and also copies of proxy voting policies are available to any client or prospective client upon written request to: SER Capital Partners, 3 Twin Dolphin Drive, Suite 260, Belmont, CA 94065.

## **Item 18. Financial Information**

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