



## **Disclosure Brochure**

**April 30, 2013**

**VII Peaks Capital, LLC**  
a Registered Investment Adviser

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This brochure provides information about the qualifications and business practices of VII Peaks Capital, LLC (hereinafter “VII Peaks Capital”). VII Peaks Capital is registered with the United States Securities and Exchange Commission (“SEC”) as an investment adviser. That registration does not imply a certain level of skill and training. If you have any questions about the contents of this brochure, please contact Gurpreet S. Chandhoke at (415) 983-0127. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about VII Peaks Capital, LLC is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2. Material Changes**

There are no material changes.

### Item 3. Table of Contents

|         |   |    |
|---------|---|----|
| Item 2  | Material Changes  | 2  |
| Item 3  | Table of Contents   | 3  |
| Item 4  | Advisory Business   | 4  |
| Item 5  | Fees and Compensation                                       | 5  |
| Item 6  | Performance-Based Fees and Side-by-Side Management          | 6  |
| Item 7  | Types of Clients  | 6  |
| Item 8  | Methods of Analysis, Investment Strategies and Risk of Loss | 6  |
| Item 9  | Disciplinary Information                                    | 9  |
| Item 10 | Other Financial Industry Activities and Affiliations        | 9  |
| Item 11 | Code of Ethics  | 10 |
| Item 12 | Brokerage Activities  | 11 |
| Item 13 | Review of Accounts  | 12 |
| Item 14 | Client Referrals and Other Compensation                     | 13 |
| Item 15 | Custody   | 13 |
| Item 16 | Investment Discretion                                       | 14 |
| Item 17 | Voting Client Securities                                    | 14 |
| Item 18 | Financial Information                                       | 14 |
| Item 19 | Principal Executive Officers and Management Persons         | 15 |

#### **Item 4. Advisory Business**

VII Peaks Capital is a registered investment adviser focusing on corporate debt investments and venture capital investments. VII Peaks Capital was formed in April 2009, and has been in business as a registered investment adviser since July 2010. Gurpreet S. Chandhoke and Stephen F. Shea are the principal owners of VII Peaks Capital.

VII Peaks Capital provides discretionary advisory services to separately-managed accounts (“separate accounts”) and investment limited liability companies that are private investment pools: VII Peaks Venture Capital I, LLC, VII Peaks Venture Capital II, LLC, VII Peaks Venture Capital III, LLC, VII Peaks Venture Capital IV, LLC, VII Peaks Venture Capital V, LLC (“Venture Funds”), VII Peaks-KBR Co-Optivist B Fund I, LLC, VII Peaks-KBR Co-Optivist B Fund II, and VII Peaks-KBR Co-Optivist R Fund I, LLC (“Co-Optivist Funds”) (collectively referred to as the “Funds”). The Funds and the separate accounts are VII Peaks Capital’s current clients.

VII Peaks Capital tailors its advisory services by constructing portfolios that seek to meet the investment objectives, guidelines and other terms of each particular Fund and separate account it manages. The Venture Capital Funds invest in the preferred equity securities of early stage private technology growth companies. These investments leverage the background and experience that the principals have in the technology industry through a collective career of investment banking and capital raising activities. The separate accounts’ investments are based on individual beneficial owners’ needs, generally focusing on non-performing corporate debt instruments. Some of the separate account clients also invest in one or more of the Funds.

VII Peaks Capital is the investment manager of the Funds. Interests in the Funds are privately offered pursuant to Regulation D under the Securities Act of 1933, as amended. Participation as an investor in the Funds is restricted to investors that are “accredited investors” as defined under Rule 501 of the Securities Act of 1933, as amended. In addition, investors also may be qualified clients pursuant to the requirements under Rule 205-3 under the Investment Advisers Act of 1940, as amended.

This Brochure describes the business of VII Peaks Capital. Certain sections will also describe the activities of its Supervised Persons. Supervised Persons are any of VII Peaks Capital’s members and employees, or any other person who provides investment advice on VII Peaks Capital’s behalf and is subject to VII Peaks Capital’s supervision or control.

VII Peaks Capital has \$46,223,698 of assets under management as of April 30, 2013. VII Peaks Capital is affiliated with an investment adviser that manages an investment company registered under the Investment Company Act of 1940.

VII Peaks Capital is not the sponsor or manager of a wrap fee program.

## **Item 5. Fees and Compensation**

***Separate Accounts.*** VII Peaks Capital generally receives an annual asset based fee (up to 1.5% per annum) from each separate account that it manages, and a fee based on the performance of the account (“incentive fee”) of up to twenty percent (20%) of the net profit of each client account, subject to a preferred return of up to eight percent (8.00%) and a “high water mark.”

With respect to the separate accounts, VII Peaks Capital’s annual base fee is prorated and charged quarterly, in arrears, based upon the market value of the assets on the last day of the previous quarter. VII Peaks Capital’s incentive fee is charged annually, in arrears, based on the net gains of the client’s portfolio at the end of the calendar period.

A minimum of \$100,000 of assets under management will typically be required for services. All separate account fees and account minimums are negotiable.

In addition to VII Peaks Capital’s investment management or other fee, separate accounts will also bear administrative, custodial, brokerage and similar transaction costs or expenses associated with the account, as each separate account client’s investment management agreement provides.

Clients may make additions to and withdrawals from their account at any time, subject to VII Peaks Capital’s right to terminate an account. Additions may be in cash or securities provided that VII Peaks Capital reserves the right to liquidate any transferred securities or decline to accept particular securities into a client’s account.

The Agreement between VII Peaks Capital and the client will continue in effect until terminated by either party pursuant to the terms of the Agreement. VII Peaks Capital’s fees are prorated through the date of termination and any remaining balance is charged or refunded to the client, as appropriate.

***Co-Optivist Funds.*** VII Peaks Capital generally receives an annual asset based fee from each Co-Optivist Fund that it manages, generally 1.5% per annum of the value of the Fund’s assets under management, charged quarterly in arrears. In addition, VII Peaks Capital is entitled to a special allocation of profits as described in the Funds offering materials.

***Venture Funds.*** VII Peaks Capital receives a one-time asset based fee from each Venture Fund that it manages, based on the capital commitment of each investor, charged in advance at the time of investment. In addition, VII Peaks Capital is entitled to a special allocation of profits at the time the investment is realized. The amount of VII Peaks Capital’s profit allocation is up to twenty percent (20%) as described in each Fund’s agreement.

In addition to VII Peaks Capital’s investment management fees and performance allocations, Funds also bear all expenses incurred in connection with their operation and administration, including among other things, legal, accounting and audit fees and expenses, governmental fees and taxes and professional fees, communications with investors and all other reasonable costs related to the management and operation of the Fund.

The Funds' investments are in private equity securities and are, therefore illiquid. Investors may not withdraw from the Funds until the investment is realized.

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

The performance fee may be an incentive for VII Peaks Capital to make investments that are riskier or more speculative than would be the case absent a performance fee arrangement. In addition, where VII Peaks Capital charges performance-based fees and also provides similar services to accounts not being charged performance-based fees, there is an incentive to favor accounts paying a performance-based fee. Currently, all of VII Peaks Capital's clients pay performance-based compensation. Therefore, currently VII Peaks Capital does not face any conflicts of interest associated with differing fee arrangements among clients.

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

VII Peaks Capital's current clients are the Funds and the separate accounts. The beneficial owners of the separate accounts are individuals.

#### **Minimum Account Size and Minimum Investment Requirement**

As a condition for starting and maintaining a relationship, VII Peaks Capital generally imposes a minimum portfolio size of \$100,000 for separate accounts, as well as a minimum investment requirement in the Funds.. VII Peaks Capital, in its sole discretion, may accept clients with smaller portfolios.

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

##### **Methods of Analysis**

VII Peaks Capital's primary methods of analysis are fundamental, technical and cyclical analysis.

Fundamental analysis involves the fundamental financial condition and competitive position of a company. VII Peaks Capital will analyze the financial condition, capabilities of management, earnings, new products and services, as well as the company's markets and position amongst its competitors in order to determine the recommendations made to clients. The primary risk in using fundamental analysis is that while the overall health and position of a company may be good, market conditions may negatively impact the security.

Technical analysis involves the analysis of past market data rather than specific company data in determining the recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of the company. The primary risk in using technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that VII Peaks Capital will be able to accurately predict such a reoccurrence.

Cyclical analysis is similar to technical analysis in that it involves the analysis of market conditions at a macro (entire market/economy) or micro (company specific) level, rather than the overall fundamental analysis of the health of the particular company that VII Peaks Capital is recommending. The risks with cyclical analysis are similar to those of technical analysis.

## **Investment Strategies**

VII Peaks Capital employs a proprietary investment strategy of “cooperative activism,” referred to as the VII Peaks Co-Optivist™ approach. The VII Peaks Co-Optivist™ approach involves investing in discounted corporate debt securities of public companies that have a perceived risk of near-term liquidity issues, but have solid fundamentals and business prospects, including historical revenue growth, positive cash flow, and sufficient asset coverage.

The VII Peaks Co-Optivist™ approach includes proactively engaging the target company’s management to restructure the underlying corporate debt securities and de-lever the target company’s balance sheet and improve overall liquidity.

VII Peaks Capital has also implemented a proprietary investment process for selecting and implementing investments:

### *Opportunity Identification*

VII Peaks Capital identifies targets based on VII Peaks Capital’s investment criteria. VII Peaks Capital then establishes or maintains dialogue with management and financial advisors of top priority targets and bondholders of top priority targets. VII Peaks Capital also develops a preliminary investment thesis and short-form overview for top priority targets.

### *Investment Committee*

The Investment Committee is presented with a short-form overview of top priority targets, and approves those targets for which VII Peaks Capital will proceed. VII Peaks Capital then performs in-depth company and industry due diligence and valuation analyses, and presents a final memorandum to the Investment Committee for approval.

### *Portfolio Management*

Once the Investment Committee has given final approval, VII Peaks Capital acquires the complete position before approaching management to commence debt restructuring. In addition, VII Peaks Capital communicates with other stakeholders, including bondholders, to garner feedback on proposed terms for debt exchange. After considering such feedback, VII Peaks Capital begins communications with the target’s financial advisors.

### *Exit Investment*

After the restructuring event is public, VII Peaks Capital evaluates the investment exit opportunities. Depending on the market reaction to the restructuring event, VII Peaks Capital evaluates other potential transactions for additional returns before exiting the investment.

## **Risks of Loss**

### *Investment in the Funds*

The Funds' investment programs entail substantial risks, and there can be no assurance that their investment objectives will be achieved. The practices of short selling and the use of leverage and other investment techniques that could be employed by the Co-Optivist strategies can, in certain circumstances, amplify the impact of adverse market movements to which the Co-Optivist's investment portfolios may be subject.

In addition, venture capital investments include a single concentrated position in the private equity of one company, and are therefore illiquid.

### *Non-Performing Corporate Debt Investments*

VII Peaks Capital may recommend "below investment grade" corporate debt securities and obligations of issuers in weak financial condition, experiencing poor operating results, having substantial capital needs or negative net worth, and facing special competitive or product obsolescence problems. These securities are likely to be particularly risky investments although they also may offer the potential for correspondingly high returns. Among the risks inherent in investments in troubled entities is the fact that it frequently may be difficult to obtain information as to the true condition of such issuers. Such companies' securities may be considered speculative, and the ability of such companies to pay their debts on schedule could be affected by adverse interest rate movements, changes in the general economic climate, economic factors affecting a particular industry or specific developments within such companies. The level of analytical sophistication, both financial and legal, necessary for successful investment in companies experiencing significant business and financial difficulties is unusually high. There is no assurance that VII Peaks Capital will correctly evaluate the value of the assets' underlying investments or prospects for a profitable return. In any reorganization or liquidation proceeding relating to a company, which VII Peaks Capital recommends, clients may lose the investment, may be required to accept cash or securities with a value less than the original investment and/or may be required to accept payment over an extended period of time. Under such circumstances, the returns generated by VII Peaks Capital may not compensate clients adequately for the risks assumed.

### *Options*

Options allow investors to buy or sell a security at a contracted "strike" price (not necessarily the current market price) at or within a specific period of time. Clients may pay or collect a premium for buying or selling an option. Investors transact in options to either hedge (limit) losses in an attempt to reduce risk or to speculate on the performance of the underlying securities. Options transactions contain a number of inherent risks, including the partial or total loss of principal in the event that the value of the underlying security or index does not increase/decrease to the level of the respective strike price. Holders of options contracts are also subject to default by the option writer which may be unwilling or unable to perform its contractual obligations.



### *Market Risks*

The profitability of a significant portion of VII Peaks Capital's recommendations may depend to a great extent upon correctly assessing the future course of price movements of stocks and bonds. There can be no assurance that VII Peaks Capital will be able to predict those price movements accurately.

### *General Risk of Loss*

Investing in securities involves the risk of loss. Clients should be prepared to bear such loss.

### **Item 9. Disciplinary Information**

VII Peaks Capital is required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management. VII Peaks Capital does not have any required disclosures to this Item.

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

VII Peaks Capital is required to disclose any relationship or arrangement that is material to its advisory business or to its clients with certain related persons. VII Peaks Capital has described such relationships and arrangements below.

### **Registered Representatives of Broker Dealer**

Certain of VII Peaks Capital's Supervised Persons are registered representatives of Gordian Investment Solutions ("Gordian"), a registered broker-dealer and member of FINRA. Gordian may charge brokerage commissions to effect these securities transactions and thereafter, a portion of these commissions may be paid by Gordian to such Supervised Persons.

A potential conflict of interest could exist to the extent a VII Peaks Capital advisory client or investor in a Fund is also a brokerage client of a Supervised Person. VII Peaks Capital has procedures in place to ensure that no advisory client or investor of a Fund is also a brokerage client.

VII Peaks Capital's Supervised Persons currently devote less than five percent (<5%) of their time to commission securities brokerage business.

### **Relationships with Affiliates**

In March 2011, VII Peaks Capital and KBR Capital Advisors, LLC ("KBR") agreed to form a 50/50 joint venture called VII Peaks-KBR, LLC ("Sponsor"), where VII Peaks Capital would provide investment management services for its Co-Optivist Debt strategy and KBR would provide distribution and capital raising services. The sponsor is the owner of VII Peaks-KBR B Fund I Management, LLC which is the manager of VII Peaks-KBR Co-Optivist B Fund I, LLC; and VII Peaks-KBR Co-Optivist B Fund II, LLC, as well as the owner of VII Peaks-KBR R Fund I Management, LLC which is the manager of VII Peaks-KBR Co-Optivist R Fund I, LLC. All KBR funds are privately offered.

In addition, the Sponsor launched a publicly registered closed-end non-traded business development corporation (“BDC”) offering called VII Peaks-KBR Co-Optivist Income BDC II, Inc. This is managed by VII Peaks-KBR BDC Advisor II, LLC, which is also 100% owned by VII Peaks-KBR, LLC, but is registered as a separate RIA with the SEC to be compliant with the 1940 Act requirements.

## **Item 11. Code of Ethics**

VII Peaks Capital and persons associated with VII Peaks Capital (“Associated Persons”) are permitted to buy or sell securities that it also recommends to clients consistent with VII Peaks Capital’s policies and procedures.

VII Peaks Capital has adopted a code of ethics (“Code of Ethics”) made up of its personal securities transaction and insider trading policies and procedures. When VII Peaks Capital is purchasing or considering for purchase any security on behalf of a client, no Covered Person (as defined below) may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when VII Peaks Capital is selling or considering the sale of any security on behalf of a client, no Covered Person may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security.

Unless specifically defined in VII Peaks Capital’s procedures (summarized above), neither VII Peaks Capital nor any of VII Peaks Capital’s Associated Persons may effect for themselves, for an Associated Person’s immediate family (i.e., spouse, minor children, and adults living in the same household as the Associated Person), or for trusts for which the Associated Person serves as a trustee or in which the Associated Person has a beneficial interest (collectively “Covered Persons”), any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of VII Peaks Capital’s clients.

The foregoing policies and procedures are not applicable to (a) transactions effected in any account over which neither VII Peaks Capital nor any of its Supervised Persons (as defined in this Form ADV) has any direct or indirect influence or control; and (b) transactions in securities that are: direct obligations of the government of the United States; bankers’ acceptances, bank certificates of deposit, commercial paper, and high quality short-term debt instruments, including repurchase agreements; or shares issued by registered open-end investment companies.

In accordance with Section 204A of the Advisers Act, VII Peaks Capital also maintains and enforces written policies reasonably designed to prevent the unlawful use of material non-public information by VII Peaks Capital or any of its Supervised Persons. In addition, because the nature of the investments that VII Peaks Capital makes could result in material non-public information being attained by separate account clients that have access to their specific holdings, VII Peaks Capital requires such clients to certify that they will not trade in the underlying securities.

Clients and prospective clients may contact VII Peaks Capital to request a copy of its Code of Ethics.

## **Item 12. Brokerage Practices**

For separate account clients, VII Peaks Capital generally recommends that clients utilize the brokerage and clearing services of Fidelity Institutional Wealth Services, Charles Schwab & Co., Inc. and/or Pershing, LLC.

Separate account clients may direct VII Peaks Capital in writing to use a particular broker-dealer to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that broker-dealer, and VII Peaks Capital will not seek better execution services or prices from other broker-dealers or be able to “batch” client transactions for execution through other broker-dealers with orders for other accounts managed by VII Peaks Capital (as described below). As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, VII Peaks Capital may decline a client’s request to direct brokerage if, in VII Peaks Capital’s sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers (as further discussed below).

VII Peaks Capital has full discretion in selecting broker-dealers for Fund transactions. Factors which VII Peaks Capital considers in selecting broker-dealers for separate account clients’ trades include their respective financial strength, reputation, execution, pricing, research and service.

The commissions paid by VII Peaks Capital’s clients comply with VII Peaks Capital’s duty to obtain “best execution.” Clients may pay commissions that are higher than another qualified broker-dealer might charge to effect the same transaction where VII Peaks Capital determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealers’ services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. VII Peaks Capital seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

Transactions for each client generally will be effected independently, unless VII Peaks Capital decides to purchase or sell the same securities for several clients at approximately the same time. VII Peaks Capital may (but is not obligated to) combine or aggregate such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among VII Peaks Capital’s clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among VII Peaks Capital’s clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that VII Peaks Capital determines to aggregate client orders for the purchase or sale of securities, including securities in which VII Peaks Capital’s Supervised Persons may invest, VII Peaks Capital generally does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. VII Peaks Capital does not receive any additional compensation or remuneration as a result of the aggregation. In the event that VII Peaks Capital determines that a prorated

allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, VII Peaks Capital may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker-dealers in return for investment research products and/or services which assist VII Peaks Capital in its investment decision-making process. Such research generally will be used to service all of VII Peaks Capital's clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because VII Peaks Capital does not have to produce or pay for the products or services.

### **Software and Support Provided by Broker-Dealers**

VII Peaks Capital may receive from certain broker-dealers, without cost to VII Peaks Capital, computer software and related systems support, which allow VII Peaks Capital to better monitor client accounts maintained at such broker-dealers. VII Peaks Capital may receive the software and related support without cost because VII Peaks Capital renders investment management services to clients that maintain assets at these broker-dealers. The software and related systems support may benefit VII Peaks Capital, but not its clients directly. In fulfilling its duties to its clients, VII Peaks Capital endeavors at all times to put the interests of its clients first. Clients should be aware, however, that VII Peaks Capital's receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence VII Peaks Capital's choice of broker-dealer over another broker-dealer that does not furnish similar software, systems support, or services.

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

For those clients to whom VII Peaks Capital provides investment management services, VII Peaks Capital monitors those portfolios as part of an ongoing process. VII Peaks Capital's portfolio managers review client accounts on an as needed basis depending on market conditions. These reviews are designed to monitor and analyze client transactions, positions, and investment levels. The reviews are conducted by Gurpreet S. Chandhoke.

Separate account clients are provided with regular summary account statements directly from the broker-dealer or custodian for the client accounts. Clients may also receive monthly and/or quarter unaudited financial statements and investor reports. Annually, investors in the Funds will receive audited financial statements. In addition, a Portfolio Management's discussion letter regarding the results of operations, management, market environment, investment performance and other matters will also be included. Additional reports may be available upon request of the clients. Clients should compare the account statements they receive from their broker-dealer or custodian with those they receive from VII Peaks Capital.

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

VII Peaks Capital is required to disclose any relationship or arrangement where it receives an economic benefit from a third party (non-client) for providing advisory services. In addition, VII Peaks Capital is required to disclose any direct or indirect compensation that it provides for client referrals. VII Peaks does not have any client referral or other compensation arrangements other than as described under Item 10 and Item 12.

#### **Item 15. Custody**

VII Peaks Capital maintains custody of its clients' assets with qualified custodians, currently Fidelity Investments, Millennium Trust Company and Credit Suisse Securities (USA) LLC. VII Peaks Capital's agreement with its separate account clients authorizes VII Peaks Capital to instruct the custodians to debit the client's account for the amount of VII Peaks Capital's fee and to directly remit that management fee to VII Peaks Capital.

VII Peaks Capital, as the Fund's manager and investment manager with full power of attorney, is deemed to have "custody" of the Funds' assets. VII Peaks Capital employs a reputable, PCAOB<sup>1</sup>-registered independent accountant performs an annual audit of the Funds' financial statements in accordance with generally accepted accounting principles, which are then sent to each investor in the Funds within 120 days from the end of the applicable fiscal year.

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<sup>1</sup> PCAOB is the Public Company Accounting Oversight Board, a nonprofit corporation established by Congress to oversee the audits of public companies in order to protect the interests of investors and further the public interest in the preparation of informative, accurate and independent audit reports. The PCAOB also oversees the audits of broker-dealers, including compliance reports filed pursuant to federal securities laws, to promote investor protection.

## **Item 16. Investment Discretion**

VII Peaks Capital is given the authority to exercise discretion on behalf of clients. VII Peaks Capital is considered to exercise investment discretion over a client's account if it can effect transactions for the client without first having to seek the client's consent. VII Peaks Capital is given this authority through a power-of-attorney included in the agreement between VII Peaks Capital and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). VII Peaks Capital takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made;
- The broker-dealer to be used; and
- The commission rates to be paid to such broker-dealers.

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

VII Peaks Capital may vote client securities (proxies) on behalf of its clients. When VII Peaks Capital accepts such responsibility, it will only cast proxy votes in a manner consistent with the best interest of its clients. Absent special circumstances, which are fully-described in VII Peaks Capital's Proxy Voting Policies and Procedures, all proxies will be voted consistent with guidelines established and described in VII Peaks Capital's Proxy Voting Policies and Procedures, as they may be amended from time-to-time. Clients may contact VII Peaks Capital to request information about how VII Peaks Capital voted proxies for that client's securities or to get a copy of VII Peaks Capital's Proxy Voting Policies and Procedures.

In situations where there may be a conflict of interest in the voting of proxies due to business or personal relationships that VII Peaks Capital maintains with persons having an interest in the outcome of certain votes, VII Peaks Capital takes appropriate steps to ensure that its proxy voting decisions are made in the best interest of its clients and are not the product of such conflict.

## **Item 18. Financial Information**

VII Peaks Capital does not require or solicit the prepayment of more than \$500 in fees six months or more in advance. In addition, VII Peaks Capital is required to disclose any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. VII Peaks Capital has no disclosures pursuant to this Item.

## **Item 19. Principal Executive Officers and Management Persons**

Below is the formal education and business background of each of VII Peaks Capital's principal executive officers and management persons:

### **GURPREET S. CHANDHOKE**

Gurpreet Chandhoke is a Managing Partner and the Chief Investment Officer of VII Peaks Capital. Prior to VII Peaks, Mr. Chandhoke was a Senior Vice President at Deutsche Bank's Technology Investment Banking Group. Prior to Deutsche Bank, Mr. Chandhoke worked at UBS Investment Bank's Technology Investment Banking Group. Mr. Chandhoke has nearly six years of investment banking experience during which he led several different types of debt issuance and restructuring discussions and transactions with technology companies and financial sponsors. Mr. Chandhoke has also participated in a wide range of corporate finance and M&A transactions in the Internet, Enterprise Software, Enterprise Infrastructure and Communications Technology sectors. Mr. Chandhoke has been involved in issuing nearly \$20 billion of corporate debt and has worked on over \$40 billion of corporate finance and M&A transactions.

Mr. Chandhoke holds a MSEE and MSME from the University of Minnesota, a BE in Electrical Engineering from the Government College of Engg, University of Pune, India. He also holds an MBA from The Wharton School at the University of Pennsylvania. Mr. Chandhoke was chosen as a J.N. Tata Scholar to pursue his graduate studies in the United States.

### **STEPHEN F. SHEA**

Mr. Shea is a Managing Partner of VII Peaks Capital. Prior to VII Peaks, Mr. Shea worked as a consultant through his own firm, Shea Financial, LLC, with investment banking and venture/private equity teams, and assisted registered investment advisers integrate and build out offerings into distribution channels as a result of his long standing relationships with Schwab, Fidelity, TD and other wire houses. He also advised hedge funds on new seeding opportunities in the commodities/futures space.

Prior to his consulting work, Mr. Shea was Vice President of Institutional Sales RIA Team for Fidelity Investments in San Francisco, spending the majority of his time as a director of sales for institutional investment managers, RIA wealth management teams, and banks and trust companies. In addition, while at Fidelity, he was responsible for the signing, business development and retention of SEC registered RIA relationships in San Francisco and the Pacific Northwest. Prior to working for Fidelity Investments, Mr. Shea worked for Wentworth, Hauser and Violich Investment Counsel. At Wentworth, he was a member of the stock selection and investment policy committees. He co-developed an open architecture WRAP, Sub-Advised, RIA platform. In Mr. Shea's four years with Wentworth, he executed 16 sub-advised agreements raising an aggregate of \$4 billion. Prior to working at Wentworth, Mr. Shea worked with Deutsche Bank/Alex Brown. At Deutsche Bank/Alex Brown, Mr. Shea acted as a lead financial advisor for many top technology executives.

Mr. Shea graduated with a BS in Business/Finance from St. Mary's College in California.

**JUSTIN DROBENAIRE**

Mr. Drobenaire is the Chief Compliance Officer of VII Peaks Capital. His twenty years of experience in the financial services field includes serving in the U.S. Treasury Dept. and the Compliance Dept. of Charles Schwab & Co. He has functioned as the Chief Compliance Officer (CCO) and Chief Operations Officer (COO) for several FINRA members and SEC registered Financial Services firms. Mr. Drobenaire has an extensive knowledge and a wide ranging understanding of many facets of the securities industry. He holds several FINRA general and principal licenses.

Mr. Drobenaire has developed policies and procedures, and has been involved in all aspects of constructing thorough compliance programs. In addition, he has handled new Broker/Dealer and Investment Adviser registration and approval with FINRA and the SEC.

Mr. Drobenaire has been awarded an MPA in Organizational Management from University of San Francisco.