

Part 2A of Form ADV: *Firm Brochure*

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This brochure provides information about the qualifications and business practices of Real Asset Portfolio Management LLC. If you have any questions about the contents of this brochure, please contact us at 503-624-9910 or compliance@realassetpm.com. 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. While Real Asset Portfolio Management LLC is a “registered” investment adviser, registration does not imply a certain level of skill or training.

Additional information about Real Asset Portfolio Management LLC also is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 156831.

Item 2 Material Changes

The SEC adopted "Amendments to Form ADV" in July, 2010. This Firm Brochure, dated December 31, 2011, is an update to our initial disclosure document prepared according to the SEC's requirements and rules. As you will see, this document is a narrative that was prepared to conform to the most recently prescribed format adopted by the SEC. This Item is intended to be used to provide you with a summary of new and/or updated information. We will inform you of the revision(s) based on the nature of the updated information.

Consistent with the new rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

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Item 4 **Advisory Business**

Real Asset Portfolio Management LLC (“RAPM”) is a SEC-registered investment adviser with its principal place of business located in Portland, Oregon. RAPM was formed in 2011 with Steven J. Gruber as Managing Member and sole owner.

RAPM specializes in providing advice on the investment in real estate, natural resource and infrastructure assets (collectively “Real Asset” or “Real Assets”) in developed and emerging markets around the world. RAPM services are tailored to meet the needs of institutional clients, including investors such as: (i) state, municipal, corporate and Taft-Hartley pension plans, (ii) foundations, (iii) endowments, (iv) sovereign wealth funds and (v) domestic and foreign corporations and similar entities. RAPM clients have over \$1 billion allocated to real assets. RAPM manages \$363,000,000 of Real Asset investments on a non-discretionary basis for institutional clients. RAPM services cover equity and debt investments opportunities in private and public Real Assets directly, with a manager through a separate account, or indirectly through investment in a commingled fund or other pooled investment vehicle.

RAPM provides the following services:

- ***Strategy Development and Portfolio Design.*** RAPM provides advice and guidance on the development of Real Asset portfolios. RAPM helps clients create appropriate return and diversification objectives, risk management, investment policies and procedures, investment limitations and restrictions and investment pacing plans.
- ***Portfolio Management Services.*** RAPM assists its clients by recommending policy and allocation ranges at the portfolio level to create a diversified portfolio that will meet the clients return objectives and tolerance for the various risks associated with Real Asset investments. Once policy and allocation decisions have been made RAPM performs research to optimize potential returns and to minimize the potential risks related to any specific allocation strategies. RAPM will then present these recommendations to the client.
- ***Manager Monitoring, Selection and Analysis.*** RAPM assists its clients by evaluating investment managers and their sponsored investment products. Once client capital is allocated to a specific direct or indirect opportunity, RAPM monitors the activity of the manager and the investment relative to the business plan for the investment. RAPM performs due diligence and research to understand the potential risks and returns related to any specific strategy and based upon our analysis, we deliver recommendations and research to non-discretionary clients. RAPM assists its clients on the negotiation of terms and conditions offered by investment managers to maximize the alignment of interests between the manager and RAPM clients.
- ***Research / Performance Measurement / Reporting.*** RAPM provides quarterly performance reports to its clients consolidating and breaking out portfolio composition, diversification by investment type, strategy and location, and committed versus invested capital. Quarterly performance reports include summaries of significant activity within the

portfolio on a quarterly, year to date, and since inception basis. RAPM has developed a quarterly performance report template which can be customized to incorporate additional performance measurement analytics as directed by its clients. RAPM collaborates with its clients in developing appropriate benchmarks to measure nominal and relative performance.

- ***Secondary Market Purchases, Sales, Tender Offers.*** RAPM can assist institutional investors seeking to dispose of illiquid Real Asset investment interests in indirect investment vehicles. These investments can trade at premiums or discounts to invested capital, manager reported NAV or fair market value or committed capital. RAPM offers such opportunities depending upon the consistency of the investment (investment type, risk profile, projected returns, location, and factors related to the track record and experience of the manager) with each client's policies and objectives.
- ***Other Services.*** RAPM can: (i) attend investment manager meetings and/or investment advisory board meetings (ii) attends meetings with its clients (including boards, committees and staff) on an as-needed or regularly scheduled basis, and (iii) provides incidental functions as required to effectively assist investment and portfolio management activity consistent with institutional portfolio management practices.

The exact scope of services provided to each of RAPM's clients depends upon the terms of the investment management agreement negotiated with each client. We provide customized advice and recommendations to our clients based upon the research, portfolio management practices and investment processes conducted by our investment professionals. Investment decisions, recommendations and portfolio construction decisions are fully reviewed by the RAPM investment committee, prior to being released to clients.

Private Fund Management

RAPM may establish and serve as the managing member of an affiliate that acts as general partner ("General Partner") of a special purpose investment management vehicle to manage the investments of a single client as described in this paragraph and hereinafter referred to as "Single Client Fund(s)". RAPM manages on behalf of an affiliated General Partner Single Client Funds investing in co-investments and secondary market transactions. The General Partner of these entities invests a small portion (1%) of the capital alongside RAPM clients and participates in the economics of the investments and may receive incentive compensation, if minimum return thresholds are exceeded over the life of the Single Client Fund. Please see Item 10 "Other Financial Industry Activities and Affiliations" for additional disclosures.

Item 5 Fees and Compensation

Real Assets, Infrastructure and Natural Resources Advisory Services Fees

Fee arrangements between RAPM and its clients vary based on, among other things, the nature and scope of services, the structure of the account, the amount of assets contributed to the account and the client-specific investment mandate. Each fee arrangement is determined and set based on these factors. We offer clients the following fee options:

1. Flat fee in the form of a retainer;
2. A percentage fee based upon either (i) capital committed to a client's Real Asset portfolio or (ii) portfolio market value;
3. Per-project fee;
4. Carried Interest (a type of incentive based performance fees)*; or
5. Some combination of the above.
6. Although RAPM does not seek to provide services pursuant to an hourly fee schedule, on certain occasions RAPM may provide its services to a client on an hourly basis (for example, RAPM may provide services on a project to a prospective client in advance of being retained on a more comprehensive basis)

RAPM services are typically structured as a flat retainer arrangement on an annual basis with annual adjustment for increases in the Consumer Price Index. Clients also provide reimbursement of travel related expenses to RAPM or the annual retainer is set at a specific level to include a budget for anticipated travel expenses. Retainer based fees are typically paid quarterly in arrears. Project fees are determined based on numerous factors including the timing of the assignment, the potential benefit to the RAPM client base or research efforts of the firm, complexity of the project, and complete scope of services required.

** Item 6 provides more information about performance-based fees and Item 10 provides more information about our participation in Single Client Fund special purpose vehicles.*

Negotiability of Advisory Fees: RAPM retains the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These considerations include the complexity of the client, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, and reporting requirements, among other factors. The specific annual fee schedule is identified in the contract between RAPM and each client.

GENERAL INFORMATION

RAPM advisory agreements are generally cancellable by either party without penalty on 30 to 90 days advance notice, or pursuant to a different notification period incorporated into an advisory agreement. RAPM issues an invoice directly to clients on a quarterly basis for fees earned in arrears and does not deduct fees from client assets or accounts.

Third party costs related to the provision of institutional advisory services to RAPM clients are generally paid in addition to any compensation paid to RAPM. Costs such as appraisal fees, legal expenses, property management, brokerage expenses or commissions, custodian fees and

environmental reviews are paid directly by the client to the third party service provider. RAPM does not participate in any portion of any fees paid to such third parties.

RAPM does not use or pay third party placement agents for introductory services to potential clients.

Certain contracts include termination fees or other guarantees in the event a client terminates its contract with RAPM. With respect to non-discretionary clients, the fees described above are paid directly to RAPM. For clients that invest through a Single Client Fund, fees are paid by the Single Client Fund to the General Partner managed by RAPM, and the management fees are then distributed to RAPM.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

Item 6 Performance-Based Fees and Side-By-Side Management

As disclosed in Item 5 of this Brochure, RAPM or its' affiliates may receive performance-based fees in the form of carried interest from various clients. With Real Asset investments in general, RAPM or the affiliated General Partner will receive carried interest only after all capital contributed by the investors or clients is returned, and, in certain cases, the portfolio also has generated a previously agreed upon rate of return (the hurdle rate). Each advisory or management agreement that has a carried interest provision will fully document the performance-based fees as part of the client investment agreement or fund partnership agreement.

Investors should be aware that performance-based fee arrangements may create an incentive for RAPM to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. In addition, this arrangement may cause investors to pay a greater expense than if such fees were not charged.

Item 7 Types of Clients

RAPM specializes in providing advice to institutional clients, including:

- Banking and Thrift Institutions
- State, municipal, corporate and Taft-Hartley pension plans,
- Insurance companies
- Foundations & Endowments
- Domestic and foreign corporations and similar entities.

Minimum Investment

RAPM generally requires a \$25 million minimum account size, although this account size may be negotiable under certain circumstances.

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

METHODS OF ANALYSIS

RAPM tailors its advice to clients based on each client's investment objectives and risk tolerance. RAPM determines the most appropriate investment strategy for each client by listening to the client in regard to their objectives and rationale for the Real Asset allocation within their portfolio.

Generally, RAPM believes the overall objective for the Real Asset asset class is to:

- ***Generate attractive risk adjusted returns.*** RAPM believes that through active management and our ability to access managers with the expertise and capabilities to exploit market inefficiencies in the asset class, clients can generate attractive risk adjusted returns.

The illiquid nature of Real Asset investments combined with the complexity of investments makes it difficult for casual investors to effectively access the asset class. RAPM believes it can assist clients to identify investment opportunities sponsored by historically high performing managers that are staffed by cycle-tested and experienced investment professionals. RAPM collaborates with its clients to identify investment managers willing to align their interests with their investors through the favorable, investor friendly structuring of the terms of the investment products offered and where the investment manager invests in the product alongside RAPM's clients. By working to identify potentially successful strategies and managers, RAPM attempts to maximize risk adjusted returns generated by the managers selected.

- ***Diversify.*** Diversification benefits through low correlations with other asset classes, primarily the U.S. equity markets.
- ***Hedge against Inflation.*** Provide a hedge against unanticipated inflation, which Real Assets have historically provided due to lease structures and the increases in material, commodity and labor costs during inflationary periods.
- ***Capture unique opportunities.*** We attempt to uncover unique investment opportunities that arise due to dislocations in markets that occur from time to time.

RAPM recognizes that the Real Asset sectors (real estate, natural resources and infrastructure) represent an inefficient asset class and that there are times when certain sectors become high risk relative to the returns provided.

The analytical tools available today allow RAPM to look at the key characteristics of manager's portfolios and to identify risk exposures. This capability, together with our strong commitment to understand and explore the skill factors behind a manager's performance, not just accept investment returns as evidence of skill, provides us with an important framework to assess investment management organizations.

Our qualitative assessment remains at the core of our ongoing manager due diligence efforts, focusing particularly on the features we believe are important to successful firms: business management, investment process and people. When researching investment management organizations, we evaluate the following qualitative risks:

Business Risks: (i) organizational quality, (ii) the firm's ability to successfully utilize staff talent, (iii) staff experience, (iv) responsibilities of staff, (v) growth goals, (vi) client asset growth and losses, (vii) investor service, (viii) incentive compensation programs, (ix) ownership, and (x) succession plans.

Investment Risks: (i) investment style and philosophy, (ii) decision making process and implementation, (iii) consistency of process, (iv) research process, and (v) performance.

To identify qualitative problems at organizations, RAPM concentrates due diligence on an investment manager in six critical areas:

- The ongoing viability of the firm's investment strategy
- The consistency in application of the firm's underlying investment process
- Whether the resources remain in place to successfully execute the process
- The continued suitability of the proposed strategy relative to the objectives of our client
- The firm's ability to sustain its strategy, process and resources into the future
- Real-world achievement of the investment objectives of the manager's funds

Business and investment risks can take almost any form: inconsistency of investment process, departure of key professionals, lack of portfolio and investment risk controls, inadequate compensation programs and ownership succession problems. Based on the permanence of an event, significant changes in any one of the six factors listed above may constitute a problem with an investment management organization. Any permanent issue identified would result in RAPM rejecting investment opportunities with such a firm.

At RAPM, we believe the "leading indicators" of investment performance include the health and structure of the firm, the caliber and focus of the professional staff, the quality of investment insights and the efficiency with which these ideas are incorporated into the manager's investment funds. While past performance is an important element of our manager due diligence, we believe basing manager decisions on past performance alone has, at best, a low probability of success.

Most of RAPM's advice relates to privately offered investment vehicles offered by investment managers in the form of limited partnerships, private REITs and limited liability companies investing in Real Assets or Real Asset related investments such as debt investments where the collateral or security are Real Assets or Real Asset operating companies. RAPM recommends, when appropriate, third party investment managers

who buy, hold and sell individual Real Asset investments of all types or real estate investment trusts, master limited partnerships and real estate operating company securities through commingled funds or separate accounts.

Typical investments utilized by RAPM clients to access the Real Assets asset class include:

Direct Investments – Direct investments provide RAPM's greater control over investments, leverage, portfolio construction, property specific and return criteria and potentially lower fees than other indirect investment options. In addition, it can be easier to liquidate investments (through a sale) in many market cycles and termination of a manager is easier than for most indirect investment vehicles. The negatives of direct investing include the inability to immediately invest in a widely diversified portfolio and increased staff time necessary to administer and oversee a direct investment portfolio.

Open-End Commingled Funds - One of the most significant benefits of open-end commingled funds is the efficiency in which clients can invest in core, diversified real estate under the control of a professional investment manager. It is easier for most institutional investors to monitor commitments to one or several open-end funds. Peer group comparison and performance versus a benchmark has become easier with the recent creation of the NCREIF ODCE Index. The main drawbacks to open-end funds are that liquidity is uncertain, especially in down markets when many investors want to redeem all at once. Open-end fund valuation policies generally lag the market. Also, in down markets, many open-end funds are unable to average down pricing because of a lack of available capital as investors seek to exit. Some open-end funds have exposure to concentrated holdings by investors that in aggregate are represented by the same advisor or consultant.

Limited Partnerships – The benefit of investing or committing capital to limited partnerships are that institutional investors can access skilled managers who will invest and draw capital over a 3-4 year period. These closed-end limited partnerships are generally funds with an 8-10 year life that invest the capital pursuant to pre-established strategy or guidelines and where incentives are in place for the manager to liquidate properties and return capital to investors following the completion of the fund life. The vehicles generally provide managers with extensive flexibility to access many types of investment strategies and types. These funds can provide good diversification benefits to an institutional Real Assets portfolio. The fees are generally incentive based, although many limited partners have fees on committed, rather than invested, capital. The negative aspects of closed end limited partnerships include the illiquidity and lack of control in a vehicle with a life of eight to ten years. In some cases, there are provisions that can be included in the limited partnership agreement to protect investors from investment teams leaving the manager, reducing key-person risks. However, the illiquidity and lack of control are major negatives to the closed end limited partnership structure.

Real Estate and Real Asset Securities – Real estate securities enable investors to access real estate and Real Asset exposure through the public markets in companies that both own and operate Real Assets and related services such as development and management. Public real estate securities provide an attractive alternative for investment in certain sectors such as regional malls, large office properties and self-storage facilities. Liquidity is generally excellent for REITs, although liquidity can be diminished for small cap REITs, some non-US companies and for very large investors due to the limited float and scale of the public REITs. REITs have historically had higher returns and higher standard deviations than private “core” real estate with return expectations in the range of 10%-11%

over the long-term. The negatives for public Real Estate and Real Asset securities is that the structure includes low control over the assets or management, accounting nuances and lack of transparency.

Joint Ventures (JV) with Operating Companies – The benefits of investing with operating companies through joint ventures can be realized if an operator can provide unique deal flow for Real Assets or if the operator has specific expertise that is difficult to access through other vehicles. Other benefits of investing through joint ventures can include reduced fees compared to the typical opportunistic closed-end fund where a general partner serves as an allocator of capital to underlying operating companies resulting in a two tiered (or double promote) fee structure. Due to the increased oversight associated in the JV/Operator structure, RAPM generally recommends only appropriately staffed institutional investors utilize this investment approach.

Risks for all forms of analysis.

Our analysis, due diligence and evaluation methods rely on quantitative review of historical manager investment vehicle performance and qualitative review of subjective factors that RAPM believes contribute to the probabilities of success of investment managers and the investment strategy deployed by these firms.

The following risk factors are carefully evaluated before recommending an investment to a client in any of the Real Asset investment vehicles described above. As a result of these considerations, as well as other risks inherent in any Real Asset investment, there can be no assurance that the investment objectives of those vehicles recommended by RAPM will be achieved. RAPM clients should only invest in the Real Asset investment vehicles as a part of an overall investment strategy and only if the client is able to withstand a total loss of its investment.

Real Asset investments are subject to the risks inherent in the ownership and operation of Real Asset and Real Asset-related businesses and properties. These risks include, but are not limited to, those associated with the burdens of ownership of real property, general and local economic conditions, changes in supply of and demand for competing properties and commodities in an area (as a result, for instance, of overbuilding), fluctuations in the average occupancy and room rates for hotel properties, the financial resources of tenants, changes in building, environmental and other laws, energy and supply shortages, various uninsured or uninsurable risks, natural disasters, changes in government regulations (such as rent control), changes in real property tax rates, changes in interest rates, and the availability of mortgage funds which may render the sale or refinancing of Real Assets and properties difficult or impracticable, negative developments in the economy that depress travel activity, environmental liabilities, contingent liabilities on disposition of assets, terrorist attacks, war and other factors that are beyond the control of RAPM. There can be no assurance that there will be a ready market for resale of investments held in the vehicles described above because investments will generally not be liquid. Illiquidity may result from the absence of an established market for the investments, as well as legal or contractual restrictions on their resale by the investment vehicles.

Risks of Acquiring or Originating Real Asset Loans and Participations. Real Asset loans acquired by the investment vehicles described above may be at the time of their acquisition or origination, or may become after acquisition or origination, nonperforming for a wide variety of reasons. Such nonperforming Real Asset loans may require a substantial amount of workout negotiations and/or

restructuring, which may entail, among other things, a substantial reduction in the interest rate and a substantial write-down of the principal of such loan. However, even if a restructuring were successfully accomplished, a risk exists that, upon maturity of such Real Asset loan, replacement “takeout” financing will not be available. It is possible that the General Partner and the investment advisor for the investment vehicles described above may find it necessary or desirable to foreclose on collateral securing one or more Real Asset loans. The foreclosure process varies jurisdiction by jurisdiction and can be lengthy and expensive.

Availability of Insurance Against Certain Catastrophic Losses. With respect to Real Assets acquired by the investment vehicles described above, liability, fire, flood, extended coverage and rental loss insurance with insured limits and policy specifications that the General Partner or investment advisors of the investment vehicles described above believe are customary for similar Real Assets will be maintained. However, certain losses of a catastrophic nature, such as wars, natural disasters, terrorist attacks or other similar events, may be either uninsurable or, insurable at such high rates that to maintain such coverage would cause an adverse impact on the related investments. In general, losses related to terrorism are becoming harder and more expensive to insure against. Most insurers are excluding terrorism coverage from their all-risk policies. In some cases, the insurers are offering significantly limited coverage against terrorist acts for additional premiums, which can greatly increase the total costs of casualty insurance for a Real Asset. As a result, not all investments may be insured against terrorism. If a major uninsured loss occurs, RAPM clients could lose both invested capital in and anticipated profits from the affected investments.

Environmental Liabilities. The investment vehicles described above may be exposed to substantial risk of loss arising from investments involving undisclosed or unknown environmental, health or occupational safety matters, or inadequate reserves, insurance or insurance proceeds for such matters that have been previously identified. Under various federal, state and local laws, ordinances and regulations, an owner of real property or Real Assets may be liable for the costs of removal or remediation of certain hazardous or toxic substances on or in such property. Such laws may impose joint and several liability, which can result in a party being obligated to pay for greater than its share, or even all, of the liability involved. Such liability may also be imposed without regard to whether the owner knew of, or was responsible for, the presence of such hazardous or toxic substances. The cost of any required remediation and the owner’s liability therefore as to any property or Real Asset are generally not limited under such laws and could exceed the value of the property and/or the aggregate assets of the owner. The presence of such substances, or the failure to properly remediate contamination from such substances, may adversely affect the owner’s ability to sell the real estate or Real Asset or to borrow funds using such property or Real Asset as collateral, which could have an adverse effect on the return from such investment. Environmental claims with respect to a specific investment may exceed the value of such investment, and under certain circumstances, subject the other assets of the investment vehicles described above to such liabilities.

Role of Real Asset Professionals. The success of the investment vehicles described above will depend in part upon the skill and management expertise of the management company’s Real Asset professionals advising and serving as the general partners of the investment vehicles described above. The interests of these professionals in the general partner and the investment advisor should tend to discourage them from withdrawing from participation in the vehicles’ investment activities. However, there can be no assurance that such professionals will continue to be associated with the General

Partner or its affiliates throughout the life of the investment vehicles or that replacement personnel will perform well.

General Economic and Market Conditions. The successful investment in Real Assets is generally dependent on and affected by general economic and market conditions, as well as by changes in laws, currency exchange controls, and national and international political and socioeconomic circumstances. A sustained downturn in the United States or global economy (or any particular segment thereof) could: (i) adversely affect the investment vehicles recommended by RAPM, (ii) impede the ability of the managers and general partners of the underlying investments to perform according to plan or forecasts, and (iii) negatively impact their ability to refinance their existing obligations, thus impairing the investment vehicles and the general partners and managers ability to effectively exit investments on favorable terms. Any of the foregoing events could result in substantial or total losses to the Partnership in respect of certain Investments, which losses will likely be exacerbated by the presence of leverage in a portfolio company's capital structure.

VALUATION RISKS

RAPM relies on its managers to value its investments. Fair value estimates are made at a specific point in time based on relevant market information about the financial instrument. These estimates and underlying assumptions are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Fair value is a market-based measurement that is determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the Partnership uses a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- Level 1: Observable inputs such as quoted prices in active markets;
- Level 2: Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

INVESTMENT STRATEGIES

RAPM uses the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

RAPM typically designs an investment policy which divides the portfolio into the following categories:

- (i) Real Estate: Core, Value Add, Opportunistic, Mortgages/Debt, and Public Real Estate Securities: RAPM creates exposure ranges for each sector and depending upon the risks and returns forecast, and the objectives of a particular client, can recommend or direct investment activity to the low or high end of the ranges.
- (ii) Natural Resources: Agriculture (row and permanent), timber (wood type, age class, genetic considerations), and energy (exploration, transmission, generation and other energy sectors): RAPM creates exposure ranges for each sector and depending upon the risks and returns forecast, and the objectives of a particular client, can recommend or direct investment activity to the low or high end of the ranges.
- (iii) Infrastructure: Transportation, Energy and Water/Waste sectors: RAPM creates exposure ranges for each sector and depending upon the risks and returns forecast, and the objectives of a particular client, can recommend or direct investment activity to the low or high end of the ranges.
- (iv) Geographic Diversification. RAPM creates domestic and international exposure ranges for the total portfolio and depending upon the risks and returns forecast, and the objectives of a particular client, can recommend or direct investment activity to the low or high end of the ranges.

RAPM generally recommends or directs investments based on our client specific objectives which can include long term and/or short term holding periods. We employ various strategies when:

- we believe the potential returns justify the risks assumed related to the business plan and execution capabilities of the investment manager; and/or
- when our client wants exposure to a particular asset class over time, regardless of the current or near term total return projection for specific category or investment strategy.

A risk in a long-term investment strategy, which is generally deployed through the investment in illiquid Real Assets and related investment vehicles, in addition to the risks embedded in the investments themselves, is that clients may not be able take advantage of short-term opportunities that could be profitable, as capital may be committed, but uncalled by the client's existing investment managers. In addition, the exact timing of the deployment of capital by the underlying investment managers is generally over an investment period of two to five years. Moreover, if our allocation decisions across the categories described above, or if our manager and fund selections or selection recommendations are incorrect or suboptimal, an investment may decline sharply in value and our clients will have limited, if any, opportunity to sell (or buy more at the new lower price) such

investments. Generally our clients are invested in illiquid private investment vehicles with limited liquidity. Selling illiquid investment interests often entails accepting a discount to perceived value, in addition to brokerage fees and/or other expenses of such a transaction.

Risk of Loss. Real Asset investments and other investments recommended by RAPM are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

Item 9 Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. Our firm and our management personnel have no reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

In certain instances as described above, RAPM may provide advice to a single client through the creation of a Single Client Fund, in which RAPM has an interest by virtue of its receipt of certain fund-level fees and its control and partial ownership of the Single Client Fund's General Partner. The General Partner of any Single Client Fund will generally have an insignificant interest (3% or less of the Single Client Fund capitalization) in the Single Client Fund. As discussed above, for clients that invest through a Single Client Fund, performance fees may be paid (if earned) by the Single Client Fund to the General Partner managed by RAPM, which generally retains any fund-level performance based fees.

The principals of RAPM are the General Partner or Managing Member of several Single Client Funds (the "Funds"). RAPM and our members, officers and employees devote to the Funds as much time as we deem necessary and appropriate to manage the Fund's business. RAPM and our affiliates are restricted from forming additional investment funds, entering into other investment advisory relationships or engaging in other business activities that may be in competition with the Funds. Potentially, if such activities were allowed, such activities could be viewed as creating a conflict of interest in that the time and effort of our management personnel and employees would not be devoted exclusively to the business of the Funds, but also could be allocated between the business of the Funds and other competitive business activities of the firm and those of our affiliates.

Clients should be aware that the receipt of additional compensation by RAPM and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. RAPM endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser. RAPM has established specific safeguards to assure clients are equally treated regardless of the compensation arrangements. These safeguards are incorporated into our Code of Ethics and are described in Item 11 below.

In addition to RAPM's Code of Ethics, RAPM; (i) discloses to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees; (ii) discloses to our clients that they are not obligated to purchase recommended investment products from our employees or affiliated

companies; (iii) collects, maintains and documents accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance; (iv) management conducts regular reviews of each client account to verify that all recommendations (non-discretionary) or investment activity (discretionary) are suitable to the client's needs and circumstances; (v) requires that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed; (vi) periodically monitor these outside employment activities (if any) to verify that any conflicts of interest continue to be properly addressed by our firm; and (vii) educates our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

RAPM and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code of Ethics.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight and enforcement and includes recordkeeping provisions.

RAPM's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

Investments in privately managed funds may be recommended to advisory clients for whom a partnership investment may be more suitable than would a separate advisory account managed by our firm. Clients who invest in privately managed funds are not charged any additional advisory fees other than the advisory fee and performance fees allocated to the limited partners of the Funds.

Privately managed funds are not required to register as an investment company under the Investment Company Act of 1940 in reliance upon an exemption available to funds whose securities are not publicly offered. RAPM may manage these private funds on a discretionary basis in accordance with the terms and conditions of each funds' offering and organizational documents.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory

clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, although highly unlikely, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

RAPM has established specific safeguards to assure clients are equally treated regardless of the compensation arrangements. These safeguards include:

- I. RAPM maintains an investment allocation or rotation policy with the objective of treating all clients equally to prevent the conflict created by incentive or performance based fees from materially influencing the allocations of deal flow across its clients. Although limited availability opportunities are not that common, investment opportunities are generally made available to all clients on a prorata basis after taking into account factors which could increase or decrease any client's interest in a specific deal, fund or transaction. Factors influencing client interest may include: property type, size of the investment, location, strategy, other risks, leverage, format of the offering as determined by the manager offering the opportunity, transaction timing requirements, diversification considerations, and other factors.
- II. In the event an opportunity cannot be allocated on a prorata basis across RAPM clients, RAPM's investment committee utilizes a rotational system based upon allocated versus invested capital by client, frequency of prior investment activity, timing and approval considerations and other factors considered appropriate and equitable to RAPM's clients.
- III. Clients generate deal flow and potential opportunities that may be offered exclusively to a specific client. When a client sources an opportunity, this opportunity is not subject to allocation across RAPM's clients.
- IV. If any co-investment opportunity or secondary investment opportunity is offered to RAPM, that opportunity will likely be offered first to those specific co-investment or secondary portfolios that RAPM has been engaged to construct in accordance with the terms of each engagement.
- V. Generally RAPM employees and supervised persons do not qualify for investment in the limited, private offerings available to RAPM clients. Such investments are subject to advance approval by the RAPM Chief Compliance Officer pursuant to the firm's Code of Ethics. The RAPM Code of Ethics monitors all RAPM employee transactions through the required quarterly disclosure and transaction and annual holding reports which are submitted to the Chief Compliance Officer in accordance with the time schedules set forth in the Code of Ethics.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to compliance@realassetpm.com, or by calling us at 503-624-9910.

Item 12 Brokerage Practices

RAPM does not use broker-dealers for client transactions. RAPM does not accept compensation for the sale of securities.

Item 13 Review of Accounts

REVIEWS: RAPM actively reviews and monitors all investment activity within client investment portfolios. RAPM regularly meets with investment managers about client investments and the markets in general. RAPM attends manager and investment Annual Investment Meetings and Advisory Board meetings on behalf of its clients and visits investment managers at their offices on a regular basis.

REPORTS: RAPM provides quarterly performance reports to its clients. These reports include investment activity, consolidated investment performance, portfolio analysis, market overview and a review of each individual investment, both from a past performance perspective and a review of the future investment outlook.

Item 14 Client Referrals and Other Compensation

It is RAPM's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is RAPM's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Item 15 Custody

While the services provided to our clients does not include maintaining physical custody of client assets, RAPM is deemed to have custody of Single Client Fund assets due to the nature of being both the Adviser and an affiliate of each general partner to the various Single Client Funds it manages.

To help protect investors, each Single Client Fund is audited annually by an independent accountant registered and subject to inspection by PCAOB in accordance with U.S. GAAP standards. RAPM issues these audited financial statements within 120 days of the end of the fiscal year and sends each investor a quarterly statement detailing the investors' capital account. Clients are urged to carefully review any statement from RAPM.

Item 16 Investment Discretion

Clients may hire us to provide discretionary portfolio management services, in which case we may purchase Real Assets or direct the investment activity in a client's account without contacting the client

prior to each transaction or commitment and we are not required to obtain the client's permission for such activity.

Discretionary authority includes the ability to do the following without contacting the client:

- Determine the Real Asset investments to buy or sell; and/or
- Determine to hire or fire other Real Asset Managers to allocate client capital/or
- Determine the amount of the Real Asset to buy or sell

Activity within discretionary client portfolios or accounts may be subject to restrictions and may be consistent with such clients investment plan, policies or other guidelines. Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

Due to the nature of Real Asset investments, RAPM does not vote proxies. The client and Single Client Funds invest in Real-Asset and related investments typically do not gain voting authority with regard to corporate governance matters. In certain circumstances, RAPM may be designated as a client's advisory board member or representative in relation to a specific investment vehicle. When RAPM serves as a representative for a client on an advisory board, any such votes are cast that are reasonably determined to be in the best interest of the client represented. RAPM is willing, upon request, to disclose to its clients recommendations or voting related to votes cast related to any client investments.

Item 18 Financial Information

As an advisory firm that may maintain discretionary authority for client accounts and may be deemed to have custody, RAPM is required to disclose any financial condition that is reasonable likely to impair its ability to meet its contractual obligations.

RAPM has no financial circumstances to report and has not been the subject of a bankruptcy petition.