
Coliseum Capital Management, LLC

**Form ADV Part 2A
Disclosure Brochure
March 31, 2014**

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This Brochure provides information about the qualifications and business practices of Coliseum Capital Management, LLC. If you have any questions about the contents of this Brochure, please contact us at 203-883-0100 or info@ccap-llc.com. 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.

Coliseum Capital Management, LLC is registered as an investment adviser with the SEC pursuant to the Investment Advisers Act of 1940, as amended. Recipients of this Brochure should be aware that registration with the SEC does not constitute an endorsement by the SEC of an investment adviser's skill or expertise. Further, registration does not imply or guarantee that a registered adviser has achieved a certain level of skill or training in providing advisory services to clients. Our oral and written communications are intended to provide you with information which you may use to determine to hire or retain us to provide investment advice.

Additional information about Coliseum Capital Management, LLC also is available on the SEC's website at www.adviserinfo.sec.gov

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Item 2: Material Changes

Since the last annual update to this Brochure as filed with the SEC on March 29, 2013, there have been no material changes to the information provided in this Brochure. The information contained in this Brochure reflects routine updates in connection with the annual review and update of our Form ADV Parts 1 and 2.

You may request a copy of our Brochure by contacting us at (203) 883-0100 or by e-mail at info@ccap-llc.com.

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Item 4: Advisory Business

A. Description of the Firm

Coliseum Capital Management, LLC (“**we**” or “**us**” or “**our**” or “**Coliseum**”), a Delaware limited liability company, was established in 2005 and is managed by its controlling owners Christopher S. Shackelton and Adam L. Gray. We are an asset management company focused primarily on sponsoring and providing advice to private investment partnerships that principally make longer-term investments in both public and private companies. We only manage assets on a discretionary basis (subject to those limitations as described in Item 16); the investors in the funds that we manage have no opportunity to select or evaluate any fund investments or strategies.

B. Types of Advisory Services

We currently provide the following investment advisory services:

Private Investment Funds

We provide investment advisory services to Coliseum Capital Partners, L.P., (“**CCP**”), Coliseum Capital Partners II, L.P. (“**CCP II**”), and Coliseum Capital Co-Invest, L.P. (“**Co-Invest Fund**”), private pooled investment vehicles (collectively, the “**Funds**”). The general partner of the Funds is Coliseum Capital, LLC (the “**General Partner**”) which is under common control with Coliseum.

CCP and CCP II invest in securities, consisting principally, but not solely, of securities that are issued by companies in “special situations” and are traded publicly in U.S. and Canadian markets though we are authorized to enter into any type of investment transaction, anywhere that we deem appropriate, pursuant to the their limited partnership agreements. We may also invest a portion of CCP and CCP II assets in illiquid securities that are restricted from transfer, which generally are restricted securities of public and private companies.

We may from time to time recommend other types of investments consistent with CCP’s and CCP II’s investment strategy and objectives. See Item 8 for more information with respect to the investment strategies of CCP and CCP II.

The Co-Invest Fund is a co-investment vehicle that will invest alongside CCP and CCP II in a concentrated number of securities issued by publicly-traded companies in which a manager of the General Partner serves on the Board of Directors (the “**Portfolio Companies**”). The Co-Invest Fund will only invest in securities of Portfolio Companies in which CCP has invested or is also investing.

As a supervised person of Coliseum, the General Partner intends to conduct its activities in accordance with the Investment Advisers Act of 1940, as amended, and the rules thereunder (the “**Advisers Act**”). Any employee of the General Partner, and any other person acting on its behalf, is and shall be subject to the supervision and control of Coliseum. The General Partner is relying on Coliseum’s registration under the Advisers Act and is not registering itself. The General Partner shall be included in all references to “we”, “us” or “Coliseum” herein.

The Funds are not registered as investment companies under the U.S. Investment Company Act of 1940, as amended (the “**Investment Company Act**”) and are, therefore, not subject to various provisions of the Investment Company Act. Interests in the Funds (“**Interests**”) are not registered for sale under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), and are instead sold to qualified investors on a private placement basis. Subscriptions for Interests will generally be accepted only from investors who meet the definitions of “Accredited Investor” under Regulation D promulgated under the Securities Act and “Qualified Clients” eligible to pay performance fees under the Advisers Act. Interests in the Co-Invest Fund are offered only to existing limited partners of CCP and current clients of the firm.

The services we provide to the Funds in the capacity as the investment manager and general partner may include: organizing and managing the Fund’s business affairs; acquiring, financing and disposing of investments; preparing financial statements; preparing tax related schedules; and providing investor relations functions such as drafting, printing and distributing correspondence to investors and prospective investors.

We provide investment advice directly to the Funds and not individually to the limited partners (“**Investors**”) of the Funds.

Separate Accounts

In addition to managing the Funds, we provide ongoing discretionary investment management services to an institutional client (together with such other separate accounts as we may advise in the future, the “**Separate Accounts**” and each a “**Separate Account**”). Separate Accounts generally invest in the same general category of investments invested in by the Funds.

The term “**Client**” herein refers to either a Fund or the owner of a Separate Account.

As investment adviser to Clients, we identify investment opportunities and participate in the acquisition, management, monitoring and disposition of investments for each Client.

C. Client Tailored Services and Client Tailored Restrictions

We enter into discretionary investment management agreements with our Separate Account Clients. See Item 16. Clients may impose restrictions in investing in certain securities or types of securities in accordance with their particular investment objectives or needs.

We manage each Fund based on the investment objectives and investment restrictions set forth in the limited partnership agreement of the Fund (the “**Fund Organization Agreement**”) and

the investment management agreement between us and the Fund (the “**Management Agreement**”, and together with the Fund Organization Agreement and the confidential private placement memorandum or other offering document describing the Fund and its terms utilized to offer investments in a Fund, the “**Governing Documents**”). We may enter into side letters with certain investors in the Funds which impose further restrictions on our discretionary authority.

D. Assets Under Management

As of February 28, 2014, we had approximately \$592 million assets under management for the Funds and Separate Accounts. This amount is managed on a discretionary basis.

Item 5: Fees and Compensation

A. Fee Schedule; Prepayment of Fees and Refunds, Payment Method

Private Investment Funds

For our advisory services to CCP and CCP II, the Governing Documents provide for the payment to us of an annual management fee (the “**Management Fee**”) of 1.5% of assets under management. We do not receive a management fee for our advisory services to the Co-Invest Fund.

We, in our discretion, may waive or reduce the Management Fee applicable to all or any of the Investors or agree with an Investor to waive or alter the Management Fee as to that Investor. The Management Fee is payable in advance at the beginning of each calendar quarter based on the net asset value of the each Investor’s capital account on the first day of that calendar quarter. We typically deduct Management Fees directly from Fund assets.

In general, if the Management Fee has been paid in full in advance for a period in which an Investor has withdrawn or redeemed its investment in the Fund, the applicable portion of such Management Fee paid relating to the portion of the period after such termination, withdrawal, or redemption will be returned or credited to the withdrawing or redeeming Fund Investor, subject to the actual terms of the Governing Documents.

The Governing Documents for CCP and CCP II provide for a special profit allocation (“**Special Profit Allocation**”) to be distributed to the General Partner, from each Investor in the Funds. The Special Profit Allocation for CCP is equal to 20% of net profits (including both realized and unrealized gains and losses) otherwise allocable to that Investor. The Special Profit Allocation is only applied to profits that exceed the cumulative losses previously allocated to that Investor. The Special Profit Allocation for CCP II is equal to 20-30% of the portfolio outperformance that occurs above an agreed upon benchmark during each performance period.

We, in our discretion, may waive or reduce the Special Profit Allocation applicable to all or any of the Investors or agree with an Investor to waive or alter the Special Profit Allocation as to that Investor. The Special Profit Allocation is accrued and is payable at the end of each calendar year and upon an Investor’s withdrawal from the Fund, with respect to the amount withdrawn.

We may designate certain investments as illiquid and allocate those investments to an illiquid sub-capital account. The General Partner does not receive a Special Profit Allocation with respect to the profits on illiquid securities in an illiquid sub-capital account until the General Partner determines that those illiquid securities should no longer be held in that illiquid sub-

capital account. For purposes of determining the Special Profit Allocation, the General Partner may not mark illiquid securities above original cost.

The Governing Documents for the Co-Invest Fund provide for an incentive allocation (“**Incentive Allocation**”) to be paid to the General Partner based on the performance of the invested portion of Investors’ capital commitments. The calculation of the Incentive Allocation follows a detailed waterfall for the apportionment of proceeds from the liquidation of the Fund’s investments. Generally, the Incentive Allocation for the Co-Invest Fund is 20% of proceeds from investments after the payment of fund expenses and the receipt by Investors of a return of all capital commitments and a preferred return.

Investors in a Fund may have different fee arrangements. We (without any act, consent or approval of any Investor) may on our own behalf, or on behalf of a Fund, enter into, deliver, perform, modify and terminate side letters or other written agreements or instruments to or with one or more Investors which have the effect of establishing different rights under, or altering or supplementing the terms of, an investment in the Fund (“**Side Letters**”), including, without limitation, modifications of withdrawal rights, fee arrangements and access to Fund information. Any rights established, or any terms of an investment in a Fund altered or supplemented, in a Side Letter with an Investor will govern such investor’s investment in the Fund notwithstanding any other provision of the Fund’s documents to the contrary.

Our investment management agreement with each Fund is terminable upon expiration of the Fund’s term, dissolution or the withdrawal of the General Partner. Investors may be limited in their ability to terminate their investment in the Fund. Investors should refer to each Fund’s Governing Documents for additional or supplementary information regarding such limitations as well as the fees paid by the Fund.

Separate Accounts

Separate Accounts pay a management fee which is based on a percentage of the assets under management. We negotiate the annual management fees charged for the management of Separate Accounts, which will vary but range from 1.00% to 1.50%. Fees are typically payable in advance on a quarterly basis, unless otherwise agreed upon in the investment management agreement with the Client.

Some Separate Accounts may also pay a performance fee, ranging from 10% to 20%, based on the performance of the account, which fee may or may not be subject to investment thresholds. Performance fees are based upon the valuation methodology agreed to with each Client.

In general, an agreement for a Separate Account may be cancelled by either party after the expiration of an initial commitment period (of generally two to four years) upon receipt of 60 days’ written notice, or as otherwise agreed in the investment management agreement. Upon termination of any account, a Client shall continue to pay management fees to us until the Client’s investments have been repaid or otherwise satisfied.

Valuation

The market values of the assets of the Funds and the Separate Accounts are based upon fair-value as determined by us. See Section 12.

B. Other Fees and Expenses

Client assets are held in the custody of a bank, trust company, broker-dealer or other entity. The Client will bear any custodial fees associated with such account. To the extent that cash is held in such accounts and fees are charged by the provider of such service, the fees so incurred by the Client will be in addition to the fee payable to us on the overall value of or amount invested for the account. See Item 15.

Each Fund bears the expenses of its organization (subject to a maximum amount as set forth in the Governing Documents) and all operational expenses incurred in connection with the purchase, sale, financing and refinancing of investments, and the fees and expenses of third party service providers to the Fund. Such expenses include but are not limited to:

- (i) legal, auditing, consulting, financing and accounting fees and expenses of the Fund;
- (ii) expenses associated with the preparation and distribution of the Fund's financial statements and reports to Fund investors and the costs of preparing and filing the Fund's tax returns;
- (iii) out-of-pocket expenses and other expenses incurred in connection with the offering of interests in the Fund;
- (iv) out-of-pocket expenses and other expenses incurred in connection with the operation of the Fund under the laws of the jurisdiction in which it is organized;
- (v) expenses incurred in connection with transactions pursued but not ultimately consummated;
- (vi) expenses of appraisers and consultants;
- (vii) expenses of litigation and indemnification;
- (viii) insurance premiums;
- (ix) expenses of advisory committee meetings and meetings of the Fund investors;
- (x) other expenses associated with the acquisition, holding, financing, refinancing and disposition of the Fund's investments, including extraordinary expenses; and
- (xi) any taxes, fees or other governmental charges levied against the Fund.

Clients may be invested in mutual funds. To the extent a Client's account is invested in a mutual fund, it may bear the costs and expenses associated with such investment in that fund.

Clients bear brokerage and transaction costs to the extent incurred. For additional information regarding brokerage and transaction costs, see Item 12.

C. Sales Compensation

Neither we nor any of our supervised persons will accept compensation in connection with the sale of interests in the Funds. We have entered into and may in the future enter into placement agreements with unaffiliated placement agents whereby such agents will solicit and be compensated for soliciting new Separate Account Clients and Investors.

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

“Performance-Based Fees” are fees that are based on a share of the capital gains or capital appreciation of the assets of an account. We currently manage only accounts that pay performance-based compensation as described in Item 5; we do not manage accounts that do not pay performance-based compensation. Fees based on performance will only be charged in accordance with the provisions of Rule 205-3 under the Advisers Act to the extent required by applicable law.

Performance-based compensation may create an incentive for us to cause a Client to make investments that are riskier and more speculative than it would otherwise make. Performance-based fee arrangements may also create an incentive to favor higher performance fee paying Clients over other Clients in the devotion of time, resources and allocation of investment opportunities.

To manage these potential conflicts, we have adopted a number of compliance policies and procedures. These policies and procedures include (i) our Code of Ethics (see Item 11), (ii) our Compliance Manual, and (iii) allocation policies which seek to ensure that investment opportunities are allocated fairly among Clients and that all Client accounts are managed in accordance with their investment mandate (see Item 12). We do not consider fee structures in allocating investment opportunities.

Item 7: Types of Clients

We provide investment advisory services to the Funds and Separate Accounts (but not individually to Investors in the Fund). Investors in CCP and CCP II are required to invest a minimum of \$1 million and investors in the Co-Invest Fund are required to invest a minimum of \$500,000, but the General Partner may, in its sole discretion, waive these minimums. In the past, we required a minimum of \$50 million to open a Separate Account, but we may waive or increase that minimum if we were to consider managing other Separate Accounts (for high net-worth individuals, institutions, trusts, endowments or pension plans) in the future.

We generally require Investors to make representations concerning their financial sophistication and ability to bear the risk of loss of their entire investment in the Fund.

Investors that are U.S. persons must be “Accredited Investors” under Regulation D under the Securities Act and in general, “Qualified Clients” under the Advisers Act eligible to be charged a performance fee.

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

A. Methods of Analyses

We apply both systematic and unsystematic methods to screen for potential investments. We rely on the many relationships our managers have developed across the investment landscape. We maintain a database of hundreds of potential referral sources, including private equity managers, hedge fund managers, bankruptcy and turnaround professionals, management teams, institutional investors, investment bankers, brokers, traders and various advisors such as lawyers, consultants and accountants.

In addition to the unsystematic approaches referenced above, we utilize more systematic screening methods aimed at identifying undervalued or under-utilized assets, stress signals, etc. These methods incorporate metrics that range from cash flow yields, comparable leverage valuation to announced defaults, historical returns on invested capital and more.

We focus our resources on potential investments where proprietary research provides an advantage. Each investment will generally be based on an intensive analytical process conducted over several months and generally refreshed over the investment life cycle. This process may include facility inspections, management/employee meetings, customer calls, detailed legal review and comprehensive industry review with competitors, suppliers and consultants.

Our valuations typically are based on detailed, long-term cash flow forecasts, with the underlying objective of identifying the intrinsic value of businesses or assets. The forecasts and corresponding investments will generally be driven by 3-5 year return expectations. We consider this longer-term investment horizon as a powerful differentiator critical in exploiting the short-term return requirements of many investors in the market.

On behalf of our Clients, we may make investments at every level of the capital structure, in both liquid and illiquid, and public and private securities. We expect generally to hold only 8-12 “core” positions.

Investments in securities involve risk of loss that investors must be prepared to bear.

B. Investment Strategies

The following is a summary of the principal investment strategies employed by us. The material risks associated with each of these strategies is set forth in C. below. This is a summary only. Clients should look to the Governing Documents of each Fund or to their investment advisory

agreements with us and other Client materials for a more complete description of each strategy. Clients should not rely solely on the descriptions provided below.

Because the Co-Invest Fund intends to limit its investments to Securities of Portfolio Companies, the investment strategies and techniques discussed below, beyond statements regarding the investments in securities of Portfolio Companies and the risks associated with investments in securities of Portfolio Companies, are not applicable to the Co-Invest Fund.

We seek to make long-term, value investments in companies undergoing extraordinary change (“special situations”). On behalf of our Clients, we invest in, hold, sell, trade and otherwise deal in securities, consisting principally, but not solely, of securities that are issued by companies in special situations and are traded publicly in U.S. and Canadian markets. Our investment activity spans the capital structures of smaller capitalization public and private companies.

In general, our investments fit into one or more of the following criteria:

- The potential for strong free cash flow
- Good businesses or assets operating through complex circumstances
- Businesses or assets which provide a reasonable likelihood of recovering invested capital
- Businesses or assets to which our management team can apply its varied transactional and operations experience
- The ability to enforce remedies, such as liquidation, in order to recover invested capital

We seek to identify investment opportunities in businesses and assets at attractive long-term valuations. Examples include:

- Financially distressed businesses, including companies in the midst of workouts, bankruptcies, turnarounds or restructuring processes
- Lack of liquidity or general imbalance between investment supply and demand in certain out-of-favor or capital-constrained industry sectors
- Complex transactions, such as sales involving companies with business interruptions, significant litigation or other contingent liabilities
- Underperforming businesses due to inadequate management teams or owner neglect
- Undervaluation of public companies relative to private market valuations
- Busted auctions and similar situations where a company loses bargaining leverage with respect to potential buyers
- Companies with hidden or underutilized assets

We may invest a portion of a Client’s assets in illiquid securities that are restricted from transfer, which generally are restricted securities of public and private companies. We may also invest in preferred stocks, convertible securities, warrants, rights, options (including covered and uncovered puts and calls and over-the-counter options), swaps and other derivative instruments, bonds and other fixed income securities, distressed debt, loans, currencies, non-U.S. securities, futures, options on futures, other commodity interests and money market instruments. We also may engage in short selling, margin trading, hedging and other investment strategies.

The investment objectives and methods summarized above represent our current intentions, are general in nature and are not intended to be exhaustive. Among other things, there are no limits on the types of securities or other instruments in which the Fund may take positions, the types of positions it may take, the concentration of its investments in companies, industries or market sectors or subsectors, or the amount of leverage the Fund may use, including the extent of the Fund's margin trading and short positions. Depending on conditions and trends in securities markets and the economy generally, we may pursue any other objectives, or use any other techniques that we consider appropriate and in the best interest of our Clients.

C. Material Risks

Investment Strategy Risks:

Acquiring interests in a Fund is intended for sophisticated investors who can accept a high degree of risk in their portfolio, do not need regular current income from their investment with us and can accept a potential loss of their entire investment. Investment risks specific to the investment strategy of each Fund are described in its Governing Documents. Such risks for the Funds and Separate Accounts may include (but are not limited to):

Investment Risks. We invest substantially all of Client assets principally in securities that are issued by companies in "Special Situations" and that are traded publicly and privately in U.S. markets. Markets for such instruments fluctuate and the market value of any particular investment may vary substantially. In addition, such securities may be issued by unseasoned companies and may be highly speculative. A portfolio of securities of companies in special situations, representing a very small segment of the economy, may be extremely more volatile than the broader equity markets.

Micro and Small Capitalization Companies. We invest in securities of companies with micro-to-small-sized market capitalizations. Those securities involve substantially higher risks in many respects than do investments in securities of larger companies. Further, due to thin trading in securities of some micro- and small-capitalization companies, an investment in those stocks may be relatively more illiquid.

Investment Selection. From time to time, we may engage in hedging, option trading, leverage (including, but not limited to, margin trading and investing in derivatives) and other strategies. Hedging strategies usually are intended to limit or reduce investment risk, but also can limit or reduce the potential for profit and may increase transaction costs, interest expense and other costs and expenses. Clients may have high portfolio turnover and the brokerage commissions and other transaction costs generally are higher than those incurred by a Client with a lower portfolio turnover rate.

Securities of Financially Distressed Companies. Investing in assets, liabilities or equity of companies that are, or appear to be, in financial distress or emerging from financial distress, including companies that have undergone or are undergoing major restructurings or bankruptcy reorganizations and companies that we anticipate are likely to undergo such

restructurings or reorganizations involves a high degree of risk. At times there is very limited liquidity in such securities.

Short Sales. We sell securities short. A short sale involves a finite opportunity for appreciation, but a theoretically unlimited risk of loss. To make a short sale, we must borrow the securities being sold short. It may be impossible to borrow securities at the most desirable time to make a short sale, particularly in illiquid securities markets. Securities, once borrowed, may be called at inopportune times, potentially forcing us to pay a premium to cover.

Swaps, Options, Futures and Other Derivatives. From time to time, we may trade in exchange-traded and over-the-counter derivatives, including but not limited to swaps, options, futures, forwards and contracts for differences. Trading in these instruments is highly speculative and entails risks that are greater than those of investing in other securities. Prices of these instruments generally are more volatile than prices of other securities.

Stock Index Futures. Using stock index futures for hedging involves several risks. Price movement in the stock index and price movements in the securities that are the subject of the hedge do not always correlate. Positions in futures contracts may be closed out only on the exchange on which they were entered into or through a linked exchange, and there is no secondary market for those contracts. In addition, there may be no active market for the contracts at any particular time.

Counterparty Credit Risk. Our Clients may have contractual agreements with various counterparties, including a prime broker and custodian, to perform various functions or effect certain transactions for or on behalf of the Client. These entities typically are not subject to credit evaluation and regulatory oversight. In addition, the Partnership purchases and sells derivative instruments in “over-the-counter” or “interdealer” markets. In many cases, the participants in these markets are not subject to credit evaluation and regulatory oversight as are members of “exchange-based” markets.

General Risks of Leverage. We use leverage by engaging in short sales, borrowing on margin, entering into swaps and other derivatives contracts and other leveraging strategies. Such leverage increases the risk of loss and volatility. In addition, the use of leverage requires us to pledge the Client’s assets as collateral.

Securities Lending and Borrowing. We may lend securities to securities brokers and other institutions to earn additional income, or borrow securities from securities brokers or other institutions. If the other party becomes insolvent or bankrupt, our Client could experience delays and costs in recovering payment or the securities. If, in the meantime, the value of the securities changes, our Client could experience further losses.

Repurchase Agreements. We may enter into repurchase agreements, by which we buy a security and simultaneously agrees to sell it back later at a predetermined price, or in reverse repurchase agreements, by which we sell a security and simultaneously agrees to buy it back later at a predetermined price. If the other party to a repurchase or reverse repurchase agreement becomes insolvent or bankrupt, we may experience delays and incur costs in recovering payment or the securities. If the value of the security purchased changes in the

meantime, our Clients could experience further losses. ties. Repurchase and reverse repurchase agreements can have effects similar to margin trading and other leveraging strategies.

Risks of Non-U.S. Investments. Generally, we invest in securities of non-U.S. companies, which may be denominated in U.S. or non-U.S. currencies, and use forward non-U.S. currency exchange contracts, which involve unusual risks not typically associated with investing in U.S. companies. These risks include, but are not limited to, less public information available regarding non-U.S. issuers, limited liquidity of non-U.S. securities and political risks associated with the countries in which non-U.S. securities are traded and the countries where non-U.S. issuers are located. Individual non-U.S. economies may differ unfavorably from the U.S. economy in gross national product growth, inflation rate, savings rate and capital reinvestment, resource self-sufficiency and balance of payments positions, and in other respects. We may invest in securities of non-U.S. governments (or agencies or subdivisions thereof), and some or all of the foregoing considerations also may apply to those investments. Investments may be affected unfavorably by exchange control regulations or changes in the exchange rate between such currencies and the U.S. Dollar.

Private Equity/Venture Capital Risks. Private equity/venture capital investment involves an extraordinarily high degree of business and financial risk and can result in substantial or complete losses. Many portfolio companies may be operating at a loss or with substantial variations in operating results from period to period and may need substantial additional capital to support expansion or to achieve or maintain competitive positions. Such companies may face intense competition. Any such portfolio company may fail.

Extreme Volatility. Investments in illiquid securities and securities of companies with micro-to-small-sized market capitalizations involve extreme business and financial risk and can result in substantial or complete loss.

Additional Capital Needs. After making initial investments in portfolio companies, portfolio companies may require additional funding, or we may have the opportunity to increase investments in portfolio companies. Any decision not to make follow-up investments, or the inability to make them, may have substantial adverse effects on portfolio companies in need of such investment or may result in missed opportunities for our Clients to increase participation in ventures, or may cause a decrease in the value of our Client's portfolio.

Competition. Numerous risk capital investors will be competing with us for desirable investment opportunities. Because of this competition and because of limited available capital, Clients might not be able to participate in attractive investments that would otherwise be available.

Time Required for Maturity of Investments. Private businesses can take several years from the date of initial investment to reach a state of maturity when disposition of outstanding securities can be considered, and frequently require even longer periods before disposition can occur. Clients may not realize a return on any investment in a non-public company within a reasonable time, or at all.

Economic Conditions. Changes in economic conditions can affect Client investments and prospects materially and adversely. These factors may affect the volatility of securities prices and the liquidity of Client investments. Unexpected volatility or illiquidity could impair the Client's profitability or result in losses.

No Control over Portfolio Issuers. Although Clients may acquire substantial positions in the securities of particular companies, Clients may not share any control over the management of any such company. The success of each investment depends on the ability and success of the management of that company, in addition to economic and market factors.

Concentration of Investments. A Client's investment portfolio may be confined to the securities of relatively few issuers. Concentration in investments in several, relatively large security positions or industries and a loss in any one position or downturn in any one industry could reduce performance materially.

Portfolio Turnover/Operating Deficits/Expenses. On behalf of our Clients, we trade securities actively and incur significant brokerage, custody and other transaction costs and expenses. An account may have higher portfolio turnover and transaction costs than a similar account managed by another investment adviser. These costs reduce investments and potential profit or increase loss.

Non-public Information. From time to time, we may come into possession of non-public information concerning specific companies. Under applicable securities laws, this may limit our flexibility to buy or sell portfolio securities issued by such companies which could reduce potential profit or increase loss.

Other General Investment Risks:

- A Client account may hold investments in companies that disappoint earnings expectations and decline, and may short investments in companies that beat earnings expectations and rise.
- We may not be able to obtain complete or accurate information about an investment and may misinterpret the information that we do receive.
- Our activities could cause adverse tax consequences to Clients and Investors, including liability for interests and penalties.

With respect to the Co-Invest Fund, in addition to the applicable risks set forth above, there are the following additional risks:

Concentrated Portfolio. The Co-Invest Fund is expected to hold a limited number of portfolio investments. The highly-concentrated nature of the fund's portfolio will subject the Co-Invest Fund to a much higher risk of loss than would be the case with a more broadly diversified portfolio. The returns of the Co-Invest Fund may also not replicate the returns of CCP and CCP II, which will have more diversified portfolios.

Limited Investment Opportunities. The Fund is intended as a “co-investment” vehicle with CCP and will look to make opportunistic investments. Importantly, since investments by the Co-Invest Fund will be opportunistic, it is possible that the Co-Invest Fund may not invest in any Portfolio Company; as such investment opportunities may not become available.

The above is only a brief summary of some of the important risks associated with our investment strategies. Before deciding to invest in the Fund or a Separate Account, potential Clients should carefully consider all the risk factors and other information set forth in the Governing Documents.

Item 9: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's or potential client's evaluation of the firm or the integrity of the firm's management in this item.

We have no legal or disciplinary events to report.

Item 10: Other Financial Industry Activities and Affiliations

Private Funds

We serve as the investment advisor to the Funds and receive management fees for providing investment advisory services to the Funds (other than the Co-Invest Fund). Our affiliate serves as the general partner to the Funds and, subject to certain limitations, may receive performance fees based on the unrealized or realized net profits of the Funds. These management fees and performance fees may exceed the compensation we receive for providing investment advisory services to other client accounts. We and/or our principals, employees and affiliates are limited partners of the Funds. We may offer advice to qualified existing and prospective clients regarding investing in the Funds. We and/or our affiliates or related persons may receive management, performance, oversight, board, administrative or similar fees in connection with advisory, management, monitoring, administrative or similar services that we and/or our affiliates or related persons provide to portfolio companies of the Funds. These relationships create potential conflicts of interest because we may have a financial incentive to favor the Funds over other client accounts.

Additional information regarding our investment advisory services to, and potential risks and conflicts of interest associated with, the Funds is included in the Governing Documents for the Funds.

We may from time to time enter into a side letter agreement with one or more Investors which may, among other terms, provide for reduced management fees, improved liquidity or greater or more frequent transparency with respect to the Fund.

In addition, neither we nor any of our related persons is obligated to allocate any specific amount of time to any of the Funds or a Separate Account. We and our related persons intend to devote as much time as we deem necessary for the conduct of each Fund's operation and portfolio management, and will allocate investment opportunities in accordance with our trade allocation policy described in Item 12.B below.

Item 11: Code of Ethics

A. Code of Ethics

In order to address conflicts of interest, we have adopted a code of ethics (the “**Code**”) which is applicable to all of our supervised persons (collectively, “**Employees**”). The Code generally sets the standard of ethical and professional business conduct that we require of our Employees, requires Employees to comply with applicable federal securities laws and regulations, and sets forth provisions regarding personal securities transactions by certain Employees deemed access persons under applicable regulations. Additionally, the Code sets forth our policies and procedures with respect to material, non-public information and other confidential information, and the fiduciary obligations that we and each of our Employees owes to each advisory Client.

The Code is circulated at least annually to all Employees, and each Employee at least annually must certify in writing that he or she has received and followed the Code and any amendments thereto.

We will provide a copy of the Code to any Client or prospective Client upon request.

B. Recommendations Involving Material Financial Interests

We may participate or have an interest in Client transactions as described below.

1. *Principal and Agency Transactions*

Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from, or sells any security to, an advisory Client. A principal transaction would occur if we bought securities for our own or an affiliate’s inventory from a Client or sold securities from its inventory to a Client.

A principal transaction presents conflicts of interest which may include the adviser or affiliate earning a fee or earning (or losing) money as a result of the transaction.

At times, the General Partner may enter into a “principal transaction” with each Fund. The Governing Documents of each Fund provide for consultation or approval of such transactions and the terms thereof by a committee of investors. Any such purchase or sale will comply with the notice and consent requirements for principal transactions set forth in Section 206 of the Advisers Act. The potential conflicts of interest are disclosed in each Fund’s Governing Documents.

An “agency cross transaction” is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by

or under common control with the investment adviser, acts as broker for both the advisory Client and for another person on the other side of the transaction. We do not engage in agency cross transactions.

2. *Cross Transactions*

A cross transaction involves the buying or selling of securities from one Client account to another.

Cross transactions may give rise to conflicts of interest between Clients. For example, one Client could be advantaged to the detriment of another Client in the event that the securities being exchanged are not priced in a manner that reflects their fair value. In addition, we could use our investment authority to transfer unappealing securities from one Client to another Client. The vast majority of trades made for Client accounts will be executed through the open market. We may engage in cross trading under limited circumstances. However, we will only do so when we believe it is in the best interest of both Clients. In such circumstances, neither we nor our affiliates will receive transaction-based compensation from the trade.

3. *Investment in Fund*

The General Partner has made a general partner or similar investment in CCP and CCP II. We, our investment professionals and principals and related persons may invest in each Fund or be granted interest in or phantom interests related to each Fund. We do not believe that these investments cause a conflict of interest between us and a Fund but rather function to better align the interests of the Investors with our own interests since our own capital is being invested alongside the investors' capital. By virtue of our capital investment in the Funds, we may be considered to participate, indirectly, in transactions effected for the Funds. The foregoing relationships, fees and any other actual or potential conflicts of interest arising therefrom are disclosed in the Governing Documents. Any such investments are made in conformity with the Code which has procedures regarding the use of confidential information and personal investing.

4. *Buying and Selling Securities That Are Recommended to Clients*

We may buy for Clients securities of issuers in which another Client has made, or is making, a senior or subordinate investment, which may create conflicts of interest. For example, if one Client is invested in debt securities of an issuer and another Client is invested in equity securities of the same issuer, if the issuer experiences financial or operating challenges which impact the price of its securities, decisions relating to actions to be taken may raise conflicts of interest between these Clients. We may have Clients with different or competing investment objectives. As a result, we may take, on behalf of one Client, consistent with such Client's investment objectives, a contrary investment position to that taken by another Client which position is consistent with such other Client's investment objective.

C. Personal Trading

We recognize that the personal securities transactions of Employees demand the application of a high code of ethics, and we require that all such transactions be carried out in a way that does not endanger the interest of any Client. At the same time, we believe that if investment goals are similar for Clients and for Employees, it is logical and even desirable that there be common ownership of some securities. Therefore, in order to address conflicts of interest, we have adopted a set of procedures, included in the Code, with respect to transactions effected by Employees for their personal accounts. In order to monitor compliance with our personal trading policy, we have adopted a quarterly securities transaction reporting system for certain Employees deemed access persons under applicable regulations.

D. Other Conflicts of Interests

Our Code of Ethics has policies and procedures to address the following additional conflicts of interest. While we do not believe that there are any conflicts that pose material risks to Client interests, we wish to note some additional potential conflicts that are inherent in our structure and activities. We also have included brief descriptions of the procedures we use to mitigate their effects.

1. *Non Public Material Inside Information/Insider Trading*

We have established policies and procedures reasonably designed to prevent the misuse by us and our Access Persons of material information regarding issuers of securities that has not been publicly disseminated ("**material non-public information**"). In general, under the procedures, when we are in possession of material non-public information related to a publicly-traded security or the issuer of such security, whether acquired unintentionally or otherwise, neither we nor any Employee is permitted to render investment advice as to, or otherwise trade or recommend a trade in, the securities of such issuer until such time as the information that we have is no longer deemed to be material non-public information.

2. *Gifts/Gratuities*

Our Code sets forth procedures regarding gifts and business entertainment to address the potential conflicts of interest surrounding these practices. A further explanation of our gift and business entertainment policy can be found in our Code.

3. *Political Contributions*

Due to the potential for conflicts of interest, we have established procedures relating to political contributions which are designed to comply with applicable federal and state law. All Employees are required to seek preapproval before making any political contribution

4. *Valuation*

We determine the value of securities held in Client accounts, including illiquid securities, whether or not a public market exists for securities of the same class or type. We value illiquid securities in good faith and in accordance with Generally Accepted Accounting Principles. If our determination of the value of any such securities proves to be inaccurate, the General Partner might receive a Performance Based Fee, and we might receive a Management Fee each of which might be greater than the allocation and fee to which the General Partner and would otherwise be entitled. Our judgments as to the value of investments in each Fund are subject to review and audit by the Fund's auditors.

5. *Conflicts from Competing Interests*

Clients may compete with each other for access to our resources, including investment opportunities. There may be conflicts of interest in allocating investment opportunities among the current and future funds we manage. There are no restrictions on us from forming, sponsoring, owning and/or managing additional investment vehicles that have overlapping investment objectives or investment criteria. We are subject to our own allocation policies, which are subject to change in our discretion. We may devote more time, attention or resources to some of these potentially competing funds than to others or present an opportunity to certain funds that we do not or cannot present to all. This could have a material adverse effect on a fund's ability to acquire assets, generate cash flow and income, and make distributions.

We may confront conflict concerns when allocating scarce investment opportunities, given the benefit to us of favoring Clients that pay a higher fee or generate more income for us. To address this conflict of interest, we have adopted various allocation policies (See Section 12) as well as supervisory procedures that are intended to fairly allocate investment opportunities among competing Clients.

With respect to the Co-Invest Fund, allocations of investment opportunities in Portfolio Companies are expected to be made available to CCP, CCP II and all other current and future investment funds/accounts managed or advised by us or an affiliate with the substantially same investment strategy as CCP first, and then, to the extent continued investment opportunities remain after these entities have reached their investment limitations in a Portfolio Company, such opportunities may be made available to the Co-Invest Fund. Allocations of investment opportunities in Portfolio Companies are at our sole discretion and we are not obligated to make any investment opportunities available to the Co-Invest Fund.

Performance-based compensation may create a conflict of interest, as it can create an incentive for us to make or recommend investments that are riskier or more speculative than would be the case in the absence of such compensation structure. To address these potential conflicts, we have policies and procedures designed to ensure that each of Client accounts is managed in a manner that is consistent with our fiduciary obligations, as well as with the Client's investment objectives, investment strategies and restrictions.

We may provide certain investors or Clients with more frequent or detailed reports, special compensation arrangements and withdrawal rights that we do not provide to other investors or Clients.

6. Outside Directorships

Some of our officers or employees serve as directors or trustees of publicly-held companies, privately-held companies, and/or non-profit organizations. The investment management agreement with Clients generally grants us discretionary authority to purchase a wide range of securities on a Client's behalf, including securities of companies for which our officers or employees may serve as directors or trustees. These relationships create potential conflicts of interest because we may have a financial interest in, or have an incentive to devote more resources to, companies or organizations for which our officers or employees serve as directors or trustees. In addition, due to confidential information that may be acquired or obligations incurred due to these outside directorships, we may be prohibited from taking action on behalf of a Client's account.

7. Conflicts from our other activities and investments

We and our affiliates may engage in a broad spectrum of finance and investment activities that are independent from, and may from time to time conflict with, Clients. In the future, there might arise instances where our interests conflict with the interests of Clients and/or Fund Investors. We or our affiliates may engage in transactions with, provide services to, invest in, advise, sponsor and/or act as investment manager to portfolio companies, investment vehicles and other persons or entities that may have similar structures and investment objectives and policies to those of our Clients and that may compete with Clients for investment opportunities and that may co-invest with Clients in certain transactions.

Due to these other activities, we may not be able to take action that might benefit our Clients because of confidential information we or our affiliates acquire or obligations we or our affiliates incur in connection with these other activities or because an affiliate or employee or other related person serves as an officer or director of, or consultant to, a company in which a Client has invested or otherwise might invest.

Although we and our affiliates will invest our own capital in the Funds along with the other Investors, our interests and those of affiliates may under some circumstances differ from those of a Fund and/or Investors. Such conflicting interests could potentially affect our decisions in purchasing, holding and disposing of the investments of a Fund.

8. Conflicts in general

Various parts of this brochure discuss potential conflicts of interest that arise from our advisory business. We disclose these conflicts due to the fiduciary relationship we have with Clients. When acting as a fiduciary, we owe Clients a duty of loyalty. This includes the duty to address, or at minimum disclose, conflicts of interest that may exist between different Clients; between us and Clients; or between our employees and Clients. Where potential conflicts arise from our

fiduciary activities, we will take steps to mitigate, or at least disclose, them. Conflicts arising from fiduciary activities that we cannot avoid (or chose not to avoid) are mitigated through written policies that we believe protect the interests of our Clients as a whole. In these cases – which include issues such as personal trading and Client entertainment, discussed above – regulators have generally prescribed detailed rules or principle for investment firms to follow. By complying with these rules, using robust compliance practices, we believe that we handle these conflicts appropriately.

Item 12: Brokerage Practices

A. Criteria for Selection of Broker-Dealers

In General—Brokerage Selection

We have discretion to purchase and sell securities for our Clients and to select the broker-dealer for securities transactions and in establishing the commission rates that Clients pay such brokers. We look to the overall quality of service provided by the broker and will consider many factors when making a selection for execution. We will generally seek “best execution” in light of the circumstances involved in transactions and in consideration of certain services provided. We regularly evaluate the trade execution services we receive from brokers we use to execute trades for Client accounts, including comparing those services to the services available from other brokers to determine if we are achieving best execution in Client transactions. We also determine that our execution practices are consistent with disclosures in the Fund Governing Documents and evaluate any conflicts of interest those practices may raise.

Research and Other Soft Dollar Benefits

Soft dollars refers to the practice of using a portion of the commissions generated when executing Client transactions to acquire useful research and brokerage services from broker-dealers.

We do not enter into formal arrangements with broker-dealers where we pay for and receive research-related or execution services from a counterparty in exchange for brokerage commissions. Although we do receive certain information (e.g., broker-dealer generated research reports) that benefits all of our Clients, we do not “pay up” for these services. Although we may consider the receipt of such services from a broker-dealer when choosing a broker for execution, as stated above, we primarily decide which broker-dealers to use and the level of trading volume to provide such broker-dealer based on best execution standards and our fiduciary duties to our Clients. Consistent with our obligation to obtain best execution, we may from time to time pay a broker-dealer commissions for executing Client transactions in excess of that which another broker-dealer may have charged for effecting the transactions, consistent with our obligation to obtain best execution. To the extent that the receipt of any such ongoing brokerage or research services by us may be deemed a soft dollar arrangement, the arrangement will fall within the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934, as amended.

We have retained Goldman Sachs to serve as the Funds’ prime broker and custodian. The services that Goldman Sachs currently provides as prime broker may include providing custody, margin financing, clearing, settlement and stock borrowing. Goldman Sachs provides

us with other services, including, but not limited to: technology services, capital introduction services, portfolio reporting and access to electronic communications networks. We may use a substantial portion of these services for research and trading on behalf of Clients. Although many prime brokers provide similar services to investment advisers in exchange for brokerage, custody and clearance fees and other charges, if we did not receive these services from Goldman Sachs, we would be required to pay for all or some portion of them.

Brokerage for Client Referrals

We may direct Client brokerage transactions to brokers who refer prospective investors to the Funds.

Directed Brokerage

We do not engage in directed brokerage transactions.

Trade Errors

We have an obligation to place orders correctly for Client accounts. If we make an error while placing a trade for a Client account, we correct the error as quickly as possible after detection and bear all costs of correcting the error.

New Issues

We may from time to time invest Client accounts in “new issues”, as defined in relevant rules established by the Financial Industry Regulatory Authority (“FINRA”). To the extent that we may determine to invest Clients in initial public offerings (“IPOs”) or other new issues, and to the extent such investments are subject to the restrictions imposed by FINRA rules, such investments will be allocated fairly and consistently with applicable FINRA rules. Such rules generally provide that broker-dealers, their affiliates and certain other persons (“restricted persons”) may not be able to participate in new issues. To the extent that Clients invest in new issues subject to these FINRA rules, we may take measures necessary to ensure compliance with applicable rules which may include, for example, prohibiting or limiting investment by restricted persons or by creating multiple class structures pursuant to which a certain class (or classes) of interests may be issued only to restricted persons while other classes exclude restricted persons.

B. Aggregation of Orders/Allocation of Trades

If we determine that a particular investment is appropriate for more than one Client account, we may aggregate securities transactions for those Client accounts. To ensure that no Client account is disadvantaged as a result of such aggregation, we have adopted aggregation and allocation policies and procedures. We do not aggregate securities transactions for Client accounts, unless we believe that aggregation is consistent with our duty to seek best execution for Client accounts and is consistent with the Governing Documents or investment management agreements with Separate Account Clients. No Client account is favored over any

other Client account, and in general each Client account that participates in an aggregated securities transaction participates at the average share price for all transactions in the security for which that aggregated order is placed on the day that such aggregated order is placed.

Aggregated transactions are allocated in accordance with our trade allocation policies which are designed to effect allocation in an equitable manner over time.

Item 13: Review of Accounts

A. Periodic Reviews

All accounts are reviewed by our senior investment professionals on a continuous basis to determine their conformity with investment objectives and guidelines. The investment professionals involved in portfolio management receive daily updates of portfolio positions and transactions or otherwise periodically as appropriate to the type of investment. Senior investment professionals, with the assistance of other investment professionals, regularly review and discuss portfolio status, potential investments, performance, and related issues.

B. Non-Periodic Reviews

Not applicable.

C. Client Reports

Investors receive such reports as are provided for in the Fund's Governing Documents. Fund financial statements will be prepared in accordance with U.S. Generally Accepted Accounting Principals and will be distributed to Investors after the end of the Fund's fiscal year.

Separate Account Clients receive such reports as negotiated individually with each Client.

We may rely on information provided by third parties in preparing reports, and a third party may assist in preparing or distributing reports. To the extent reports include or rely upon information from another source, we attempt to obtain such information from reliable sources; however, the accuracy of such information cannot be guaranteed. Reports may also include or rely upon fair value determinations made by us or a third party. While such valuations are made in good faith, their actual or empirical accuracy cannot be guaranteed.

We, in our discretion, may provide more frequent reports and/or more detailed information to all or any of the Investors or Separate Account Clients.

Item 14: Client Referrals and Other Compensation

A. Compensation by Non-Clients

Prime Brokerage Services

Each Fund has a relationship with Goldman Sachs to serve as prime broker and provide prime brokerage services to the Funds. Our use of a prime broker with respect to the Funds may yield increased administrative ease and, therefore, reduced expenses and increased profitability for us. Therefore we may be incentivized to do business with prime brokers who provide certain services. However, we do not believe that the Funds incur above-market cost for prime brokerage as the result of the prime broker providing these additional services.

A prime broker may from time to time introduce potential investors to a Fund. We may take prime brokerage services, including capital introduction, into account when selecting a prime broker. Because an increase in the size of a Fund would likely result in additional compensation or other benefits to a prime broker, a prime broker may receive a benefit from introducing investors to a Fund.

B. Compensation for Client Referrals

Unrelated third-parties may be compensated for assistance in soliciting Investors for the Funds or new Separate Account Clients. Any such arrangements are conducted pursuant to written agreements. The compensation to be paid to such unrelated parties is negotiated on an individual case basis.

Item 15: Custody

Private Investment Funds

Except for certain privately offered securities, neither we nor our affiliates maintain physical possession of the funds or securities of the Funds. To the extent required by the Advisers Act Rule 206(4)-2 (the “**Custody Rule**”), physical custody of Fund assets (other than certain privately offered securities) will be maintained with a bank, trust company, broker-dealer or other qualified custodian (“**Qualified Custodian**”) selected by us in our exclusive discretion, which selection may change from time to time generally without the consent of Investors in the Fund.

Separate Accounts

Neither we nor our affiliates will maintain physical possession of the funds or securities that a Client maintains in a Separate Account. To the extent required by the Custody Rule, the assets in a Separate Account are deposited with Qualified Custodian selected by the Client. The Qualified Custodian will send quarterly, or more frequently, account statements directly to the Separate Account Client. Separate Account Clients should carefully review those statements.

Item 16: Investment Discretion

Subject to any investment restrictions set forth in the Governing Documents for a Fund or in the investment management agreement with a Separate Account, we have discretionary authority to make the following determinations without obtaining the consent of any Client before the transactions are effected:

- the investments that are to be bought or sold;
- the total amount of investments to be bought or sold;
- the brokers, investment banks or placement agents, if any, through which investments are to be bought or sold; and
- the acquisition price and associated fees at which investment transactions for a Client are effected.

Our discretionary authority is derived from our authority to manage securities accounts on behalf of Clients pursuant to (a) the Governing Documents, including the Management Agreement of the Fund and (b) a limited power of attorney in each other Client's Separate Account agreement.

Item 17: Voting Client Securities

We have been delegated the authority to vote proxies regarding securities held by our Clients. We have adopted and implemented policies and procedures reasonably designed to ensure that we vote proxies in the best interests of our Clients. We make all voting decisions on behalf of Client accounts based solely on our determination of the best interests of that Client account subject to any specific proxy voting guidelines specifically requested by and agreed upon with Separate Account Clients.

Upon request, Clients may obtain a copy of our proxy voting policies or information on how we voted proxies on behalf of the Client.

Item 18: Financial Information

We are not aware of having any financial condition that is reasonably likely to impair our ability to meet our contractual commitments to our Clients. We have not been subject to a bankruptcy petition in the last 10 years.