



DISCLOSURE BROCHURE
(FORM ADV, PART 2A)

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This brochure provides information about the qualifications and business practices of RCG Longview Partners II, LLC. If you have any questions about the contents of this brochure, please contact us at (212) 356-9200. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority. RCG Longview Partners II, LLC is an investment adviser registered with the SEC. Registration with the SEC does not imply a certain level of skill or training.

Additional information about RCG Longview Partners II, LLC is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2: Material Changes

The principal owner of the Registrant, RCG RE Manager, LLC, is a wholly owned subsidiary of Cowen Investment Management LLC, which is a wholly owned subsidiary of Cowen Inc., a publicly traded company (NASDAQ: COWN). Cowen Investment Management LLC, previously known as Ramius LLC and Cowen Inc., previously known as Cowen Group, Inc. both underwent a legal name change on May 16, 2017.

Two additional risk factors were added to Item 8, Regulatory Risk and Cybersecurity and Electronic Systems Risk.

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Item 4. Advisory Business

RCG Longview Partners II, LLC (the “Registrant”) is a Delaware limited liability company formed on December 30, 2003 pursuant to a limited liability company agreement to manage the day-to-day operations of RCG Longview II, L.P. (the “Client”), a pooled investment vehicle that invests in real estate and real estate-related assets, including debt and debt-like securities. The principal owner of the Registrant is RCG RE Manager, LLC, a wholly owned subsidiary of Cowen Investment Management LLC, which is a wholly owned subsidiary of Cowen Inc., a publicly traded company (NASDAQ: COWN).¹

This brochure generally includes information about the Registrant and its relationships with its Client and affiliates. This brochure does not constitute an offer to sell or solicitation of an offer to buy any securities.

The Registrant provides portfolio management and administrative services to the Client, including, but not limited to, investigating, analyzing, structuring, and negotiating potential investments, actively managing and monitoring the performance of the Client’s portfolio investments and advising the Client as to disposition opportunities. The Registrant is the Client’s General Partner, and as such, any determinations, decisions, consents or other duties or actions described in the Client’s Amended and Restated Agreement of Limited Partnership, dated as of December 6, 2004 (the “LPA”) are performed by the Registrant.

The Registrant’s investment advice is tailored for the Client’s needs but not those of any individual investor in the Client. This advice is limited to the types of real estate assets in which the Client seeks to invest, namely debt and debt-like securities. These securities are represented by, but not limited to, short term senior mortgage loans, junior mortgage loans and mezzanine loans, preferred equity investments and participating loans, all as more fully described in the LPA. Investment restrictions on the management of the Client’s account are stated in the LPA and the Client’s Offering Memorandum.

The Registrant does not participate in any wrap fee programs.

As of December 31, 2016, the Registrant’s regulatory assets under management were approximately \$49,339,000, representing the Generally Accepted Accounting Principles (“GAAP”) Fair Value of the Client’s gross assets plus the uncalled commitments as of that date. These numbers are based on estimated and unaudited information as of such date and are therefore subject to change. The Registrant does not currently manage any non-discretionary Client assets.

Item 5: Fees and Compensation

The Client has agreed to pay the Registrant, within fifteen days after the end of each calendar month a management fee equal to the following:

¹ Cowen Investment Management LLC, previously known as Ramius LLC and Cowen Inc., previously known as Cowen Group, Inc. both underwent a legal name change on May 16, 2017.

- i. 0.5% per annum of commitments during the first year of the investment period (period during which real assets are obtained),
- ii. 1.0% per annum commitments during the second and third year of the investment period,
- iii. Thereafter, 1.0% per annum of invested unreturned capital.

The management fee is established pursuant to the LPA (See Section 4.09 (Management Fee)).

The direct expenses incurred by the Client, which are outlined in detail in the LPA, may vary depending on the nature of the operations and activities of the Client.

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

The Registrant is entitled to, with respect to each investor in the Client, a carried interest generally equal to 20% of the cash distributions of the Client's net cash flow, after the Client has returned invested capital to each such investor (to the extent not previously returned) plus a preferred return thereon at a cumulative annual compounded rate of return of 8%, subject to a 80%/20% catch-up. The carried interest is subject to a clawback obligation, measured on an aggregate basis taking into account all distributions made by the Client.

Investment managers, generally, may be incentivized to dedicate increased resources and allocate more profitable investment opportunities to clients who are charged a carried interest. The existence of the carried interest may create an incentive for the Registrant to make more speculative investments on behalf of the Client than it might otherwise make in the absence of such performance-based compensation. The terms of the carried interest could also give the Registrant an incentive to make decisions regarding the timing and structure of realization transactions that may not be in the best interests of investors. Section 5.02(e) of the LPA, however, provides for a clawback, as described above.

The carried interest is established pursuant to the LPA (See Section 5.02 (Distributions of Net Cash Flow)).

Item 7: Types of Clients

The Registrant provides investment advice solely to the Client, a pooled investment vehicle that invests in real estate. The Registrant will not be accepting any new clients and the Client is no longer accepting new investors.

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

Methods of Analysis and Investment Strategies

The Registrant utilizes the experience, relationships and operating capabilities of its members to identify opportunities involving properties that are not currently favored by the market generally, but are expected to maintain or grow in value over the longer term. The Registrant seeks

opportunities where timing or unique circumstances limit the availability of capital to borrowers. Members of the Registrant have significant experience in the real estate business including the underwriting of real estate transactions. The Registrant believes that the experience of its members as owners and operators of real estate can help to avoid many of the short-lived trends in market preferences for certain asset classes and allow them to become more effective when assessing asset classes where they deem that risk/return levels are acceptable. The Registrant will make or purchase a loan where it believes that, in a downside scenario, it would be acceptable for the Client to own the property that collateralizes the investment. Though the Registrant will not recommend lending with a predisposition to foreclosure, the Registrant's underwriting analysis should result in a conclusion that ownership of the collateral is an acceptable scenario.

Investment of Client assets by the Registrant include shorter-term senior mortgage loans, B-notes, junior mortgages and mezzanine financing, preferred equity and mortgage purchase financing, as well as certain specially tailored financing solutions, and are made in compliance with the guidelines as provided in Section 1.04 of the LPA.

The risks discussed below are those that the Client may be exposed to directly or indirectly. Certain risks apply specifically to a particular investment strategy or investment in a specific type of security and the Client (and its investors) should be prepared to bear such risks. The following risk factors and conflicts of interest do not purport to be a complete list or explanation of the all of the risks and conflicts of interest associated with the strategy, method of analysis or types of investment instruments utilized.

PAST PERFORMANCE RESULTS ARE NOT INDICATIVE OF FUTURE PERFORMANCE. NO ASSURANCE CAN BE MADE THAT PROFITS WILL BE ACHIEVED OR THAT SUBSTANTIAL LOSSES WILL NOT BE INCURRED.

Risk of Loss

An investment in the Client entails a significant degree of risk and, therefore, should be undertaken only by investors capable of evaluating the risks of the Client. Each investor in the Client should have the financial ability and willingness to accept the risks (including, among other things, the risk of loss of their entire investment and lack of liquidity) that are characteristic of an investment in the Client and should consult their advisors regarding the appropriateness of making an investment in the Client. The investments to be made by the Client are speculative in nature and the possibility of partial or total loss of capital will exist. Client investors should not subscribe to or invest in the Client unless they can readily bear the consequences of such loss. Set forth below is a non-exhaustive list of such risks; however, Client investors are advised to review the applicable offering materials for a more extensive description of the risks of investing in the Client:

Ability to Originate Transactions on Advantageous Terms; Competition and Supply

The Client's success will depend, in significant part, on the Client's ability to originate transactions on advantageous terms. In originating and purchasing loans or making other investments, the Client will compete with a broad spectrum of lenders and investors, many of which have substantially greater financial resources and are better known than the Client. Increased competition for, or a diminishment in the available supply of, qualifying transactions could result

in lower yields on such loans, or the returns on such other investments, which could reduce returns to investors.

General Credit Risks

While loans originated by the Client are intended to be collateralized, the Client may be exposed to losses resulting from default and foreclosure. Therefore, the value of the underlying collateral, the creditworthiness of the borrower and the priority of the lien are each of great importance. The Client cannot guarantee the adequacy of the protection of the Client's interests, including the validity or enforceability of the loan and the maintenance of the anticipated priority and perfection of the applicable security interests. Furthermore, the Client cannot assure that claims may not be asserted that might interfere with enforcement of the Client's rights. In the event of a foreclosure, the Client or an affiliate of the Client may assume direct ownership of the underlying asset. The liquidation proceeds upon sale of such asset may not satisfy the entire outstanding balance of principal and interest on the loan, resulting in a loss to the Client. Any costs or delays involved in the effectuation of a foreclosure of the loan or a liquidation of the underlying property will further reduce the proceeds and thus increase the loss.

General Real Estate Risk

The value of the real estate that underlies mortgage transactions is subject to market conditions. Changes in the real estate market may adversely affect the value of the collateral and thereby lower the value to be derived from a liquidation. In addition, adverse changes in the real estate market increase the probability of default, because the incentive of the borrower to retain equity in the property declines. Furthermore, many of the properties that will secure loans originated or purchased by the Client may be suffering varying degrees of financial distress or may be located in economically distressed areas. Loans may become non-performing for a wide variety of reasons, including, without limitation, because the mortgaged property is too highly leveraged (and, therefore, the property is unable to generate sufficient income to meet its debt service payments), the property is poorly managed or because the mortgaged property has a high vacancy rate, has not been fully completed or is in need of rehabilitation. Such non-performing 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, capitalization of interest payments and a substantial write-down of the principal of the loan. However, even if such restructuring were successfully accomplished, a risk exists that upon maturity of such mortgage loan, replacement "take-out" financing will not be available.

It is likely that the Client may find it necessary or desirable to foreclose on at least some of the loans. The foreclosure process is often lengthy and expensive. Borrowers may resist mortgage foreclosure actions by asserting numerous claims, counterclaims and defenses against the Client, including, without limitation, numerous lender liability claims and defenses, even when such assertions may have no basis in fact, in an effort to prolong the foreclosure action and force the lender into a modification of the loan or a favorable buy-out of the borrower's position. In some states, foreclosure actions can sometimes take several years or more to litigate. At any time prior to or during the foreclosure proceedings the borrower may file for bankruptcy, which would have

the effect of staying the foreclosure actions and further delaying the foreclosure process. Foreclosure litigation tends to create a negative public image of the mortgaged property and may result in disrupting the ongoing leasing, management and operation of the property.

Lender Liability Considerations; Equitable Subordination

In recent years, a number of judicial decisions in the U.S. have upheld the right of borrowers to sue lenders or bondholders on the basis of various evolving legal theories (collectively, termed "lender liability"). Generally, lender liability is founded upon the premise that an institutional lender or bondholder has violated a duty (whether implied or contractual) of good faith and fair dealing owed to the borrower or issuer or has assumed a degree of control over the borrower or issuer resulting in the creation of a fiduciary duty owed to the borrower or issuer or its other creditors or shareholders. Although the Client does not intend to engage in conduct that it expects would form the basis for a successful cause of action based upon lender liability, the potential for such a cause of action exists.

In addition, under common law principles that in some cases form the basis for lender liability claims, if a lender or bondholder (i) intentionally takes an action that results in the undercapitalization of a borrower to the detriment of other creditors of such borrower, (ii) engages in other inequitable conduct to the detriment of such other creditors, (iii) engages in fraud with respect to, or makes misrepresentations to, such other creditors or (iv) uses its influence to dominate or control a borrower to the detriment of other creditors of such borrower, a court may elect to subordinate the claim of the offending lender or bondholder to the claims of the disadvantaged creditor or creditors, a remedy called "equitable subordination." Although the Client does not intend to engage in conduct that would form the basis for a successful cause of action based upon the equitable subordination doctrine, the potential for such a cause of action exists.

The preceding discussion is based upon principles of U.S. federal and state laws. Insofar as subsidiaries of the Client or investments are formed under the laws of foreign jurisdictions, the laws of such foreign jurisdictions may impose liability upon lenders or bondholders under factual circumstances similar to those described above, with consequences that may or may not be analogous to those described above under U.S. federal and state laws.

Lower Credit Quality Transactions

The Client will not be restricted in its ability to make loans or investments in preferred equity transactions. Loans and investments made by the Client may be deemed to have substantial vulnerability to payment default. Certain of the loans and investments that the Client may make may have substantial uncertainties or major risk exposures to adverse conditions, and may be considered to be predominantly speculative. Generally, such transactions offer a higher return potential than investment in better quality loans or equity but involve greater volatility of price and greater risk of loss. The market values of certain of these investments also tend to be more sensitive to changes in economic conditions than better quality investments.

Liquidity and Valuation of Investments

The Client may fund loans or make other investments that are difficult to value and for which no liquid market exists. The market prices, if any, for such investments tend to be volatile and the Client may not be able to sell them when it desires to do so or to realize what it perceives to be their fair value in the event of a sale. In addition, certain of the Client's investments may include interests that have not been registered under applicable securities laws, resulting in a prohibition against transfer, sale, pledge or other disposition of those securities except in a transaction that is exempt from the registration requirements of, or otherwise in compliance with, applicable laws. The sale of illiquid investments and/or the sale of investments in "bulk" often requires more time and results in higher selling expenses and lower prices than does the sale of single assets or assets eligible for trading on national securities exchanges or in the over the counter markets. Accordingly, the Client's ability to vary its portfolio in response to changes in economic and other conditions may be limited, which may result in losses to the Client.

Some investments made by the Client may (i) be almost entirely illiquid, (ii) not be traded on an exchange or in an established market, (iii) have no readily determinable value and/or (iv) have values determined by the Registrant in its sole judgment based on various factors. Such factors include, but are not limited to, dealer quotes or independent appraisals. Such valuations may not be indicative of what the actual fair market value of the investments made by the Client would be in an active, liquid or established market.

Interest Rate Risk

Fluctuations in the general level of interest rates could affect the Client's business by influencing the value of loans and other investments held by the Client, by increasing the Client's borrowing costs and by increasing the costs to borrowers, who may have restricted resources.

Possible Lack of Diversification

There is no assurance as to the degree of diversification that will actually be achieved in the Client's investments either by geographic region, asset type or other risk exposure. The Client may make loans or equity investments involving contemplated sales or refinancings that do not actually occur as expected, which could lead to increased risk as a result of the Client having an unintended long-term investment and reduced diversification. Additionally, the investment portfolio of the Client may be subject to more rapid change in value than would be the case if the Client were required to maintain a wide diversification among geographic region, asset type or other risk exposure. Unfavorable performance by any number of assets could substantially adversely affect the aggregate returns realized by the Client's investors, and the investment portfolio of the Client may be subject to more rapid change in value than would be the case if the Client were required to maintain a wide diversification among geographic region, asset type or other risk exposure.

Leverage

The Client will typically lever its investments with debt financing. Leverage also may be present at the property or operating company level. Although the use of leverage may enhance returns and increase the number of investments that can be made, it also may substantially increase the risk of loss of principal. Accordingly, any event that adversely affects the value of an investment by the

Client would be magnified to the extent leverage is used. The cumulative effect of the use of leverage by the Client in a market that moves adversely to the Client's investments could result in a loss to the Client that would be greater than if leverage had not been used, including loss of the entire investment and also the possibility of loss exceeding the original amount of a particular investment. There are also financing costs associated with leverage, and each leveraged investment will involve interest rate risk. Certain tax-exempt investors may be subject to unrelated business taxable income because of the Client's use of leverage.

Lack of Operating Control of Underlying Investments

The day-to-day operations of the real estate companies and properties underlying the investments in which the Client invests will be the responsibility of the owners and developers of such companies and properties. Although the Registrant will be responsible for monitoring the performance of each investment and intends to invest in investments with underlying real estate companies and properties that are operated by strong management, there can be no assurance that the owners and developers will be able to operate the underlying companies or properties in accordance with their business plans or the expectations of the Client.

Risks of Multi-Step Acquisitions

In the event the Client chooses to effect a transaction by means of a multi-step acquisition, there can be no assurance that the subsequent steps can be completed successfully. This could result in the Client having only partial control over the investment or partial access to its cash flow to service debt incurred in connection with the acquisition.

Risks Associated with Loans to and Investments in Companies in Distressed Situations

As part of its lending and investment activities, the Client may originate loans to or make equity investments in companies that are experiencing significant financial or business difficulties, including companies involved in bankruptcy or other reorganization and liquidation proceedings. Although the terms of such transactions may result in significant financial returns to the Client, they involve a substantial degree of risk. Any one or all of the transactions in which the Client may invest may be unsuccessful or not show any return for a considerable period of time. The level of analytical sophistication, both financial and legal, necessary for successful financing to or equity investments in companies experiencing significant business and financial difficulties is unusually high. There can be no assurance that the Client will correctly evaluate the value of the assets collateralizing the Client's transactions or the prospects for a successful reorganization or similar action. Regardless of where the Client's position is in any transaction, in any reorganization or liquidation proceeding relating to a company in which the Client invests, the Client may lose all or part of the amounts it has loaned or invested or may be required to accept collateral with a value less than the amount it has loaned or invested.

Troubled company investments require active monitoring and may, at times, require participation in business strategy or reorganization proceedings by the General Partner. To the extent that the General Partner becomes involved in such proceedings, the Client may have a more active participation in the affairs of the borrower's reorganization proceedings, which could result in the imposition of restrictions limiting the Client's ability to liquidate its position in the issuer.

Preferred Equity Investments

The Client may invest in preferred equity investments, which involve a higher degree of risk than traditional debt financing due to a variety of factors, including that such investments are subordinate to other loans and are not secured by property underlying the investment. Accordingly, if the issuer of any such preferred equity investment defaults on its obligation to pay dividends to the Client, the Client may rank as one of the issuer's general unsecured creditors. Moreover, if any such issuer enters into bankruptcy, the Client will rank junior to the issuer's lenders, possibly resulting in losses to the Client on such investment.

Subordination of Investments

Many of the Client's investments are expected to be in short-term senior mortgage loans secured by first liens on various classes of real estate assets; junior mortgage loans and mezzanine loans; preferred equity investments; participating loans; and equity interests in companies that own, control, service, manage or finance assets of such types of interests. These investments will be subordinated to the senior obligations of the property or issuer, either contractually or inherently due to the nature of equity securities. Greater credit risks are usually attached to these subordinated investments than to a borrower's first mortgage or other senior obligations. In addition, these securities may not be protected by financial or other covenants and may have limited liquidity. Adverse changes in the borrower's financial condition and/or in general economic conditions may impair the ability of the borrower to make payments on the subordinated securities and cause it to default more quickly with respect to such securities than with respect to the borrower's senior obligations. In many cases, the Client's management of its investments and its remedies with respect thereto, including the ability to foreclose on any collateral securing such investments, will be subject to the rights of the more senior lenders and contractual intercreditor provisions.

Mezzanine Investments

The mezzanine investments in which the Client may invest may include loans secured by one or more direct or indirect ownership interests in a company, partnership, or other entity owning, operating or controlling, directly or through subsidiaries or affiliates one or more commercial properties. It is expected that the commercial properties owned by such entities are or will be subject to existing mortgage loans and other indebtedness. Repayment of the loans underlying the mezzanine investments is dependent on the successful operation of the underlying commercial properties. Mezzanine investments are not secured by interests in the underlying commercial properties. The ownership interests securing the mezzanine investments may represent only partial interests in the related real estate company and may not control either the related real estate company or the underlying commercial property. As a result, the effective realization on the collateral securing a mezzanine investment in the event of default may be limited. Mezzanine investments may also involve certain additional considerations and risks. For example, the terms of mezzanine investments may restrict transfer of the interests securing such loans (including an involuntary transfer upon foreclosure) or may require the consent of the senior lender or other members or partners of or equity holders in the related real estate company, or may otherwise prohibit a change of control of the related real estate company. These and other limitations on realization on the collateral securing a mezzanine investment or the practical limitations on the

availability and effectiveness of such a remedy may affect the likelihood of repayment in the event of a default.

Varying Collateral Risks

The Client's investments may not be secured by mortgages, but may instead be secured by partnership interests or other collateral that may provide weaker rights than a mortgage. In the event of default, the Client's source of repayment will be limited to the value of the collateral and may be subordinate to other lienholders. The collateral value of an underlying property may be less than the outstanding amount of the Client's investment. In cases in which the Client's collateral consists of partnership or similar interests, the Client's rights and level of security may be less than if it held a mortgage loan.

Third Party Involvement

The Client may co-invest with third parties through joint ventures or other entities. Such investments may involve risks not present in investments where a third party is not involved, including the possibility that: (i) the Client and such third-party partner may reach an impasse on a major decision that requires the approval of both parties; (ii) a third-party partner may at any time have economic or business interests or goals that are inconsistent with those of the Client; (iii) the third-party partner may encounter liquidity or insolvency issues or may become bankrupt; (iv) the third-party partner may be in a position to take action contrary to the Client's investment objective; (v) the third-party partner may take actions that subject the property to liabilities in excess of, or other than, those contemplated; or (vi) in certain circumstances the Client may be liable for actions of its third-party partners. In addition, the Client may rely upon the abilities and management expertise of a third-party partner. It may also be more difficult for the Client to sell its interest in any joint venture, partnership or entity with other owners than to sell its interest in other types of investments. The Client may grant third-party partners joint approval rights with respect to major decisions concerning the management and disposition of the investment, which would increase the risk of deadlocks. A deadlock could delay the execution of the business plan for the investment or require the Client to engage in a buy-sell of the venture with the third-party partner or conduct the forced sale of such investment. As a result of these risks, the Client may be unable to fully realize its expected return on any such investment.

Contingent Liabilities on Disposition of Investments

In connection with the disposition of an investment, the Client may be required to make representations about such investment. The Client also may be required to indemnify the purchaser of such investment to the extent that any such representations are inaccurate. These arrangements may result in the incurrence of contingent liabilities for which the General Partner may establish reserves or escrow accounts. In that regard, investors may be required to return amounts distributed to them to fund obligations of the Client, including indemnity obligations. Furthermore, under the Delaware Revised Uniform Limited Partnership Act, each investor that receives a distribution in

violation of such Act will, under certain circumstances, be obligated to recontribute such distribution to the Client.

Market Dislocation

Real estate and capital markets are cyclical in nature, and past events in the sub-prime mortgage market and other areas of the fixed income markets have caused significant dislocations, illiquidity and volatility in the structured credit, leveraged loan and high yield bond markets, as well as in the wider global financial markets. These disruptions have led to an adverse impact on the availability of credit to businesses generally, and to the extent that such marketplace events are not temporary and continue (or even worsen), may result in an even more significant adverse impact on the availability of credit to businesses generally and could lead to an overall weakening of the U.S. and global economies. Any resulting economic downturn could adversely affect the financial resources available to borrowers or result in the inability of such borrowers to make principal and interest payments on, or refinance, outstanding debt when due. In the event of such defaults, the Client may suffer a partial or total loss of capital invested in such borrowers, which would, in turn, have an adverse effect on the Client's returns. Moreover, dislocations in foreign markets could also affect the credit markets in the U.S. Such marketplace events also may restrict the ability of the Client to sell or liquidate investments at favorable times or for favorable prices. There can be no assurance as to the duration of the current market dislocation.

Environmental Hazards

In the event that the Client owns or becomes the owner of real estate, through purchase, foreclosure, or otherwise, the Client may be exposed to risk of loss from environmental claims arising with respect to such real estate. Under environmental laws enacted by Federal and state governments, owners of property may be liable for the cleanup and removal of hazardous substances even where the owner was not responsible for placing the hazardous substances on the property or where the property was contaminated prior to the time the owner took title. The kinds of hazardous substances for which liability may be incurred include, inter alia, chemicals and other materials commonly used by small businesses and manufacturing operations. The costs of removal and clean-up of hazardous substances and wastes can be extremely expensive and, in some cases, can exceed the value of a property. If any property acquired by the Client subsequently were found to have an environmental problem, such acquiring entity could incur substantial costs and suffer a complete loss of its investment in such property as well as of other assets. Similarly, real estate is subject to loss due to so-called "Special Hazards" (e.g., floods, earthquakes and hurricanes). It may be impractical or impossible to fully insure against such events and, should such an event occur, the Client could incur substantial costs and suffer a complete loss of its investment in such property. If the Client ever becomes subject to significant environmental liabilities, the Client's business, financial condition, liquidity and results of operations could be materially and adversely affected. Finally, changes in environmental laws or in the environmental condition of an asset may create liabilities that did not exist at the time of acquisition and that could not have been foreseen.

Regulatory Risk

There can be no assurance that the Registrant or its Clients or their general partner (if any), or any of their affiliates will avoid regulatory examination or enforcement actions. Even if an

investigation or proceeding does not result in a sanction being imposed against the Registrant or any of its affiliates, including the general partner of a Client (if any), or such sanction is small in monetary amount, the Registrant, its Clients or their general partner (if any) and/or their respective affiliates may be subject to adverse publicity relating to the investigation, proceeding or imposition of such sanctions. There is also a risk that regulatory agencies in the United States and abroad will continue to adopt, change or enhance new or existing laws or regulations, which may result in additional regulatory scrutiny.

Cybersecurity and Electronic Systems Risk

Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from both intentional cyber-attacks and hacking by other computer users as well as unintentional damage or interruption that, in either case, can result in damage and disruption to hardware and software systems, loss or corruption of data, and/or misappropriation of confidential information. The Registrant increasingly relies upon information and technology systems to conduct its business. Such systems might, in some circumstances, be subject to cybersecurity incidents or similar events that could potentially result in damage or interruption to these systems, unauthorized access to sensitive transactional and personal information, intentional misappropriation, corruption or destruction of data, or operational disruption. Cybersecurity incidents could potentially occur, and might in some circumstances result in the failure to maintain the security, confidentiality or privacy of sensitive data. Cybersecurity incidents experienced by third party vendors or service providers may indirectly affect the Registrant's Clients. Cybersecurity risks can disrupt the ability to engage in transactional business, cause direct financial loss and affect the value of assets in which the Registrant's Clients invest, harm the Registrant's reputation, lead to violations of applicable laws, result in ongoing prevention, risk management and compliance costs, and otherwise affect business and financial performance.

Conflicts of Interest

The Registrant and its affiliates expect to advise multiple Clients whose accounts may purchase or sell the same investment assets. The Registrant and its affiliates are not under any obligation to share any investment opportunity, idea or strategy with any particular Client that has an open investment period. The Registrant may make recommendations to and take actions on behalf of certain Clients, which may be the same as or different from those made or taken on behalf of another Client. The Registrant may from time to time acquire positions in or transact in securities and other investments on behalf of a Client which may differ from or be inconsistent with the advice given, or the timing or nature of the Registrant's action or actions with respect to another Client. The Registrant's investment allocations are designed to provide a fair allocation of purchases and sales of investment assets among the various Clients advised by the Registrant, while preserving incentives for the Registrant to find new investment opportunities, and to ensure compliance with appropriate regulatory requirements.

The Registrant and its affiliates have the ability to purchase and sell investment assets for their own accounts and the Registrant may act as an investment adviser to a managed account of a related person. This could on occasion create conflicts of interest with regard to such matters as allocation of opportunities to participate in particular investments or to dispose of certain

investments. In addition, for Clients with like kind investment mandates, the Registrant and its affiliates, have typically chosen to close the investment period of one Client prior to starting the investment period of a new Client.

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to a Client's evaluation of the Registrant's advisory business or the integrity of the Registrant's management.

Item 10: Other Financial Industry Activities and Affiliations

The Registrant is affiliated with the following U.S. registered broker-dealers: Cowen and Company, LLC and ATM Execution LLC as well as the dual-registered U.S. broker-dealer and investment adviser, Cowen Prime Services LLC. The Registrant is also affiliated with Cowen International Limited, a UK FCA registered broker-dealer and Ramius UK Limited, which is currently not active but is registered with the UK FCA with respect to certain investment advisory activities. The above referenced entities are all (directly or indirectly) wholly owned subsidiaries of Cowen Group, Inc., a publicly traded company (NASDAQ: COWN).

The Registrant is also affiliated with the following investment advisors registered with the U.S. Securities and Exchange Commission: Cowen Invest Management LLC, Cowen Investment Advisors LLC (dba Ramius Advisors LLC), Cowen Trading Strategies LLC, Cowen Advisors LLC, TriArtisan Capital Advisors LLC, Starboard Value LP, Healthcare Royalty Management, LLC, HCRP MGS Account Management, LLC, Quadratic Capital Management LLC, Caerus Investors, LLC, Margate Capital Management, LP, RCG Longview Management, LLC, RCG Longview Equity Management, LLC, and RCG Longview Debt Fund IV Management, LLC. Cowen Investment Advisors LLC (dba Ramius Advisors LLC), Cowen Trading Strategies LLC and Quadratic Capital Management LLC are also CPOs and members of the NFA.

The businesses of the Registrant and its affiliated broker-dealers are operated separately and the Registrant will not direct any business to any affiliated broker-dealers. Accordingly, we do not believe that these relationships create any material conflicts of interest for the Registrant.

The Registrant and Cowen Investment Management LLC have entered into a Manager Services Agreement pursuant to which Cowen Investment Management LLC will continue to provide certain services to the Registrant and its Client, including legal and compliance support (the "Manager Services"). As compensation for the Services to be provided to the Registrant, the Registrant shall pay an annual fee to Cowen Investment Management LLC (the "Services Fee").

There are no material conflicts related to these affiliations. For a complete description of these advisors and the funds they manage, please refer to their respective Form ADV Part I's.

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

The Registrant has adopted a Code of Ethics (the "Code") that is applicable to all of its access persons and virtually all of its employees. The Code reflects the Registrant's belief in the absolute

necessity to conduct all business, make all decisions and carry on all personal activities at the highest ethical and professional levels. Registrant's Executive Committee heartily endorses the ethical imperative implicit in the Code, and relies on its employees' personal behavior to embrace those same standards. All persons that are covered by the Code must avoid activities, interests and relationships that may interfere or appear to interfere with making decisions in the best interests of the Client. More specifically, the Code will seek to place the interests of the Client over the interests of any employee; impose standards of business conduct for all Registrant's employees; require employees to comply with the federal securities laws; regulate employee personal securities transactions, including requiring all covered persons to obtain pre-approval before investing in initial public offerings, hedge fund or private placement investments; and require reporting and review of personal securities transactions. Registrant will provide a copy of the Code of Ethics to the Client upon request.

Item 12: Brokerage Practices

Due to the nature of the Client's investments the Registrant does not employ any broker-dealers.

Item 13: Review of Accounts

The Registrant provides to investors in the Client the following:

- (i) Approximately sixty (60) days after the end of each fiscal quarter, a report providing details regarding the Client's investment activity in the quarter as well as a schedule of all investments held by the Client at the end of such quarter.
- (ii) Approximately one hundred and eighty (180) days after the end of each fiscal year, audited financial statements prepared on an Income Tax basis of accounting along with a Schedule K-1.

Item 14: Client Referrals and Other Compensation

Not Applicable.

Item 15: Custody

While the Registrant is deemed to have custody of Client funds and securities because it has the authority to obtain Client funds or securities, for example, by deducting advisory fees from the Client's account or otherwise withdrawing funds from the Client's account. Due to the nature of the Client's investments, the Registrant does not maintain actual custody of client assets but rather maintains such assets in an account with a "qualified custodian" in the name of the Client.

The Client's investments for which the Registrant is deemed to have custody are verified at least annually during a "surprise examination" performed by an independent public accountant that is registered with, and subject to regular inspection as of the commencement of the professional engagement period, and as of each calendar year-end, by, the Public Company Accounting

Oversight Board in accordance with its rules. The surprise examination takes place at a time of the accountant's choosing, without prior notice to the Registrant, and at times that are irregular from year to year. In addition, the accountant will file Form ADV-E with the SEC within 120 days after the examination stating that the accountant has examined the Client's assets and describing the nature and extent of the exam. In the event any material discrepancies are found during the examination, the accountant will notify the Director of the SEC's Office of Compliance Inspections and Examinations.

Finally, the qualified custodian will provide an account statement, at least quarterly, to each of the Client's investors identifying each security and the amount of funds in the account at the end of the quarter and setting forth all transactions in the account during the quarter. As noted above in Item 13, the Registrant provides a report providing details regarding the Client's investment activity in the quarter as well as a schedule of all investments held by the Client at the end of such quarter. The report provided by the Registrant contains a legend urging the Client's investors to compare the statement received from the Registrant to the statement provided by the qualified custodian.

Item 16: Investment Discretion

The Registrant's investment discretion and advice with respect to the Client's Account are established pursuant to, and are subject to the investment objectives and guidelines set forth in the LPA. (See Section 1.04 (Purposes and Powers of the Partnership))

Item 17: Voting Client Securities

Not Applicable. Registrant does not exercise any proxy voting authority over the Client's securities as those securities do not carry voting rights.

Item 18: Financial Information

Not Applicable.