

**ITEM 1 – COVER PAGE**

**PART 2A OF FORM ADV FIRM BROCHURE**

**REDBIRD CAPITAL PARTNERS MANAGEMENT LLC**

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**MARCH 2017**

**This Brochure is for informational purposes only. It does not convey an offer of any type and is not intended to be, and should not be construed as, an offer to sell, or the solicitation of an offer to buy, any interest in any entity, investment or investment vehicle.**

**This Brochure provides information about the qualifications and business practices of RedBird Capital Partners Management LLC (“RedBird”). If you have any questions about the contents of this Brochure, please contact Jason F. Young at 214-238-4003 or by email at [jyoung@redbirdcap.com](mailto:jyoung@redbirdcap.com). 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, and references in this Brochure to RedBird as a “registered investment adviser” are not intended to imply a certain level of skill or training.**

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

## ITEM 2 – MATERIAL CHANGES

RedBird is amending this brochure in connection with its Form ADV amendment, effective March 22, 2017. The last update to RedBird’s Brochure was made on April 25, 2016. A summary of changes since the last update is as follows:

- Item 4: RedBird has updated its regulatory assets under management (“RAUM”), as of December 31, 2016.

In the future, this Item will discuss only specific material changes that are made to the Brochure since the date of this filing. We will also reference the date of the last annual update of our Brochure on future brochures.

Pursuant to SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

Currently, our Brochure may be requested by contacting Jason F. Young, RedBird’s Chief Compliance Officer, at 214-238-4003.

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## ITEM 4 – ADVISORY BUSINESS

### **Overview of RedBird Capital Partners Management LLC**

RedBird Capital Partners Management LLC (“**RedBird**”) is a Delaware limited liability company that was formed in July 2013, and registered with the SEC as a newly formed adviser effective November 25, 2013. As of the date of this Brochure, the principal owner of RedBird is RedBird Capital Partners Alternative Holdings LLC (“**RCPAH**”). RedBird Holdings Carry Vehicle LLC (“**RHCV**”) is the principal owner of RCPAH and RedBird Capital Partners LLC (“**RCP**”) serves as the managing member of RCPAH.

As of the date of this Brochure, Gerald J. Cardinale is the sole owner and managing member of RHCV and RCP. Mr. Cardinale is RedBird’s Chief Executive Officer and Managing Partner (the “**Managing Partner**”), and he also serves as RedBird’s Chief Investment Officer.

RedBird provides discretionary investment advisory services to pooled investment vehicles which are operated as private equity funds (the “**Funds**”), certain of which are managed as co-investment vehicles (each a “**COI**”) to invest in one or more particular investments alongside a Fund. As of the date of this Brochure, the Funds and COIs include:

- RedBird Capital Partners Platform LP (the “**RCP Platform**”)
- RedBird Capital Partners Fund I LP (the “**RCP Fund I**”)
- RedBird Capital Partners GP Co-Invest I LP (the “**GP COI**”)
- RedBird Tiger Co-Invest I LP (the “**Tiger I COI**”)
- RedBird Tiger Co-Invest II LP (the “**Tiger II COI**”)
- RedBird Tiger Co-Invest III LP (the “**Tiger III COI**”)
- RedBird Tiger Co-Invest IV LP (the “**Tiger IV COI**”)
- RedBird Tiger Co-Invest V LP (the “**Tiger V COI**”)
- RCP Fund I Advance Co-Invest I LP (the “**Advance COI**”)

The RCP Platform, the RCP Fund I and the GP COI are all collectively referred to herein as the “**RedBird Group**.” It should be noted that the Tiger I, Tiger II, Tiger III, Tiger IV, and Tiger V COIs (collectively, the “**Tiger COIs**”) were formed to invest exclusively in one particular portfolio company in which the RCP Fund I is invested.

In addition, RedBird manages Alternative Investment Vehicles (“**AIVs**”) that are formed by the Funds from time-to-time to make one or more investments in lieu of the applicable Fund investing directly in such investments, for tax or other structuring reasons. The Funds, COIs and AIVs may collectively be referred to herein as the “**Advisory Clients**” of RedBird.

Each of the Funds and COIs is organized as a Delaware limited partnership, and the General Partner to each such Fund (the “**GP**”) is a related person of RedBird and is under common control with RedBird. RedBird may establish additional Advisory Clients in the future (and anticipates doing so).

RedBird brings all potential investments to the RedBird Group, which will generally invest on a pro rata basis, according to each such Fund’s capital commitment and subject to certain adjustments, as set forth in the applicable governing documents (the “**Governing Documents**”),

which generally include the respective Fund's limited partnership agreement, co-invest agreement and/or the investment management agreement between the Fund and RedBird. Investors in the RCP Fund I should also refer to the RCP Fund I's private placement memorandum, including any amendments or supplements thereto and/or any other disclosure documentation, as applicable (the "**Disclosure Documents**"), for details relating to this Fund's operation.

Certain affiliates and/or related persons of RedBird, which include (among other persons) officers and employees of the firm, invest on generally a pro rata basis alongside the RCP Platform and RCP Fund I through the GP COI, subject to certain adjustments as set forth in the applicable Governing Documents.

RedBird may in the future form additional Funds, which may be operated as COIs, to invest in one or more particular investments alongside the existing Funds. Under the terms of its Governing Documents, the Strategic Investor (as defined below) or its affiliate is granted a first option to undertake co-invest opportunities which exceed certain thresholds after which the applicable GP (or another affiliate of RedBird) may offer such opportunity to some or all of a Fund's investors and/or any other persons (including investors in future funds managed by RedBird, employees and affiliates of RedBird and the GP, and any other person at the GP's sole discretion). The Strategic Investor, other investors and other persons may make such co-investments on terms and conditions that are materially different from each other and the investment by the particular Fund with which such investors are co-investing. Such COIs may or may not be subject to the fees described below in Item 5, or may be subject to different fee amounts and/or terms. RedBird or the applicable GP may offer co-investment opportunities to some investors and not others.

### **Advisory Services**

RedBird serves as investment adviser to the Advisory Clients and invests the Advisory Clients' assets on a discretionary basis. Specifically, the Managing Partner, serving as RedBird's Chief Investment Officer, is responsible for the development and execution of the Advisory Clients' investment activities, in consultation with RedBird's investment team. RedBird, on behalf of the RedBird Group, employs an integrated investment approach focusing on corporate growth equity opportunities. RedBird will primarily source proprietary investments through its global network of family offices and entrepreneurs across industry verticals, capital structures and geographies.

In October 2014, RedBird established a partnership arrangement with an investor (the "**Strategic Investor**"), which is structured through the RCP Platform, in which the Strategic Investor has made a significant capital commitment. RedBird maintains that its partnership with the Strategic Investor is predicated on a shared investment philosophy. Refer to Item 8 and Item 11 for additional information about RedBird's relationship with the Strategic Investor.

RedBird identifies, sources and investigates potential investment opportunities for the RedBird Group which will generally invest on a pro rata basis in accordance with, and subject to certain adjustments set forth in, the applicable Governing Documents. Potential investments of the RCP Platform which exceed certain thresholds will require the consent of the Strategic Investor.

The RedBird Group is generally restricted, subject to certain limited exceptions set forth in the

applicable Governing Documents, from making an investment where the RCP Platform does not invest. The RCP Platform is also subject to restrictions on certain types of investments. Refer to Item 8 of this Brochure for further details regarding RedBird's investment strategy.

Investors are provided with materials, including (among other documents) the applicable Governing Documents and Disclosure Documents (as applicable), prior to making capital commitments to a Fund. RedBird (together with the applicable GP) has discretion to manage the investment program of the Funds, subject to the investment guidelines and restrictions set forth in the Governing Documents.

RedBird and/or the applicable GP may enter into side agreements with individual investors, which may include, among other things, provisions permitting an investor to opt out of particular investments, discounting an investor's management fee, carried interest and/or other fees, or granting an investor preferential rights with respect to co-investment opportunities.

It should also be noted that the RedBird Fund I has an Advisory Board (the "**Advisory Board**") that is comprised of a select group of investors who will meet periodically to provide advice, oversight and approval of certain aspects of the RedBird Fund I's investment activities as set out on the applicable Governing Documents. Refer to Item 11 of this Brochure for further details regarding the Advisory Board.

RedBird does not participate in wrap fee programs.

#### **Regulatory Assets Under Management**

As of December 31, 2016, RedBird manages approximately \$769,714,917 of Advisory Client regulatory assets on a discretionary basis. RedBird does not currently manage any client assets on a non-discretionary basis.

## ITEM 5 – FEES AND COMPENSATION

### **Fees**

As further described below, generally, RedBird and/or the applicable GP (or another RedBird affiliate) are compensated by the Funds through the payment of management fees (or other payments) and performance-based fees. The specific terms relating to the fees paid by any Fund are negotiated between RedBird, the applicable GP and the investors in the respective Fund at the time of such Fund's formation.

Investors in the Funds are generally required to be “accredited investors” within the meaning of Regulation D of the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), and “qualified purchasers” within the meaning of Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended (the “**Investment Company Act**”).

RedBird receives a management fee (the “**Management Fee**”) from the RCP Fund I that is paid quarterly in advance. During the “**Commitment Period**” (as defined in the RCP Fund I's Governing Documents), the annual amount of the Management Fee will be based on a percentage of the aggregate capital commitments to the RCP Fund I. Following the end of the RCP Fund I's Commitment Period, the Management Fee will transition to a percentage of invested capital contributions. The Management Fee will begin to accrue upon the Initial Closing Date (as defined in the RCP Fund I's Governing Documents), regardless of when an investor is actually admitted to the RCP Fund I.

RedBird (or a RedBird affiliate) also receives an annual payment (the “**Platform Payment**”) from the RCP Platform, paid in advance, relating to the annual operating budget of RedBird and its affiliates, calculated in the manner set forth in the applicable Governing Documents.

Additionally, the applicable GP may be eligible to receive a performance allocation from the Funds (except for the GP COI, Tiger III COI, and Tiger IV COI) based on a percentage of investment proceeds on distributions (the “**Carried Interest**”). Distributions will be split between investors and the GP as set forth in the respective Fund's Governing Documents. The Carried Interest will be generally equal to a percentage of the applicable Fund's profits, which applies once an investor in the Fund has received an annual rate of return (the “**Preferred Return**”), and, in the case of the RedBird Platform, the RedBird Fund I, certain Tiger COIs, and the Advance COI, is subject to a waterfall, as set forth in the respective Governing Documents.

It should be noted that the Strategic Investor participates in a portion of the Carried Interest paid to the applicable GP (or another RedBird affiliate) by the RedBird Platform, the RedBird Fund I, the Tiger COIs (except for the Tiger III and Tiger IV COIs), and the Advance COI.

RedBird or the GP (as applicable) may elect to waive or reduce management fees, performance-based compensation and/or other payments for any investor, including investors that are affiliates and/or related persons of RedBird. It should be noted that investors that are affiliates and/or related persons of RedBird, which include (among other persons) officers and employees of the firm, will typically not be charged a management fee or subject to a carried interest. As such, the

GP COI is not subject to such fees, but does bear its pro rata share of expenses borne by the RedBird Group, as described below.

Fees charged to any future COI will be negotiated on a case-by-case basis. Such terms may be substantially similar to or substantially different than the fee terms described above.

RedBird or the GP (as applicable) deducts fees directly from the applicable Funds' assets or through a separate capital call. Investors do not have the ability to choose to be billed directly for fees incurred.

In addition, RedBird may receive financial consulting fees, directors' fees, monitoring fees and other deal fees and break-up fees earned in respect of the RedBird Group's investments, which will reduce any management fee or other payments payable by such Funds, as set forth in the respective Fund's Disclosure Documents (as applicable) and Governing Documents. Typically, the fee offset will not apply to other COIs. Any such fees received in connection with an investment that is shared between the RedBird Group will be allocated among the participating Funds pro rata based on the amount contributed to the investment.

From time to time, where permitted under the relevant Governing Documents, a RedBird affiliate may provide financial advisory and transaction execution services to certain of a Fund's portfolio companies or otherwise be involved in providing financial advisory and other services. These activities may not need to be approved by the investors or the Advisory Board, and compensation received in connection with these activities may not be shared with the Fund or reduce management or other fees payable by the investors.

**It is critical that investors and prospective investors refer to the respective Fund's Disclosure Documents (as applicable) and/or Governing Documents for a complete understanding of how RedBird and the applicable GP are compensated for advisory services. The information contained herein is a summary only and is qualified in its entirety by the Fund's Disclosure Documents and/or Governing Documents.**

### **Fund Expenses**

The Funds bear their proportionate shares of legal and other organizational expenses. The RCP Fund I bears such expenses up to \$1.5 million, and RCP Platform bears such expenses up to \$1.8 million. Each Fund bears all expenses incurred in connection with its operations, meetings and liquidation (other than expenses resulting from the fraud, gross negligence or willful misconduct of RedBird or the applicable GP), including (i) expenses incurred in connection with pursuing investment opportunities and making, monitoring and disposing of investments, including private placement fees, sales commissions, appraisal fees, taxes, brokerage fees, underwriting commissions and discounts, and legal, accounting, investment banking, consulting, information services and professional fees ("**Deal Expenses**"); (ii) expenses of administrators, custodians, outside counsel, economic advisors, tax advisors, auditors and accountants; (iii) expenses incurred in connection with regulatory filings; (iv) any insurance; (v) any taxes, fees or other governmental charges levied against the Fund; (vi) expenses relating to any audit, investigation, governmental inquiry or public relations undertaking; (vii) the costs and expenses of any litigation relating to the activities or operation of the Fund and the amount of any judgments or

settlements paid in connection therewith, relating to the business, activities and interests of the Fund; (viii) any expenses relating to any defaults by investors; (ix) expenses incurred in connection with any restructuring or amendments to the constituent documents of the Fund; (x) expenses incurred in connection with the formation of any special purpose vehicles, AIVs and other investment vehicles; and (xi) expenses incurred in connection with any meetings of investors (including meetings of the Advisory Board). Investors should refer to the relevant Governing Documents for details regarding the calculation of Deal Expenses.

Except as set forth above, RedBird is responsible for routine overhead expenses of RedBird and the GP, including rent, utilities, secretarial expenses and compensation and benefits of the employees of RedBird or its affiliates.

Investors indirectly incur brokerage and other transaction costs (as applicable) related to their investment in a Fund. Refer to Item 12 of this Brochure for information regarding RedBird's brokerage practices.

Expenses charged to any future COI will be negotiated on a case-by-case basis. Such terms may be substantially similar to or substantially different than the expense terms described above.

**It is critical that investors and prospective investors refer to the respective Fund's Disclosure Documents (as applicable) and/or Governing Documents for a complete understanding of how RedBird and the applicable GP allocate Fund operating expenses. The information contained herein is a summary only and is qualified in its entirety by the Fund's Disclosure Documents and/or Governing Documents.**

#### **Pre-payment of Fees and Investor Clawback**

As explained above, the Management Fee is paid quarterly in advance to RedBird pursuant to the RCP Fund I's Governing Documents.

Generally, investors may not withdraw from a Fund prior to dissolution, and may not transfer any of their interests in a Fund without the prior written consent of the applicable GP.

Generally, the Management Fee obligation of the RCP Fund I may be terminated only in connection with the dissolution of the RCP Fund I.

It should be noted that investors may be required to return distributions previously received from the RCP Fund I in an amount up to 15% of their capital commitments (the "**Investor Clawback**"). No distribution will be subject to the Investor Clawback after the second anniversary of the dissolution of the RCP Fund I. Similarly, the Strategic Investor may be required to return distributions previously received from the RCP Platform in an amount up to 15% of its capital commitments.

To the extent fees are charged to any future COI, payment terms will be negotiated on a case-by-case basis. Such terms may be substantially similar to or substantially different than the terms described above.

## **ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

As described in Item 5 above, the applicable GP receives performance-based compensation from the RCP Platform and RCP Fund I in the form of Carried Interest. The GP's right to receive performance-based compensation creates a potential conflict of interest in that it may create an incentive for RedBird to make investments that are riskier or more speculative than in the absence of such performance-based fees. As noted in Item 5, the Strategic Investor participates in a portion of the Carried Interest paid to the applicable GP (or another RedBird affiliate) by the RedBird Platform, the RedBird Fund I, the Tiger COIs, and the Advance COI.

Investors are provided with clear disclosure in the respective Fund's Disclosure Documents (as applicable) and Governing Documents as to how performance-based compensation is charged with respect to a Fund, and the risks associated with such performance-based compensation, prior to making capital commitments to the Fund.

It should also be noted that conflicts regarding performance-based compensation may arise to the degree that RedBird manages additional Funds which may be subject to different fee terms. As noted in Item 5, RedBird or the applicable GP may elect to waive or reduce the management fees, performance-based compensation and/or other fees for any investor, including investors that are affiliates and/or related persons of RedBird. Investors that are affiliates and/or related persons of RedBird, which include (among other persons) officers and employees of the firm, will typically not be charged a management fee or subject to a carried interest. As such, the GP COI is not subject to such fees.

RedBird recognizes its fiduciary status and its obligation to treat all Advisory Clients in a fair and equitable manner.

## ITEM 7 – TYPES OF CLIENTS

As described in Item 4 above, RedBird provides discretionary investment advisory services to pooled investment vehicles which are operated as private equity funds.

Each investor in the Funds must meet certain eligibility provisions. Specifically, each investor in the Funds is required to represent that it is an “accredited investor” within the meaning of Regulation D of the Securities Act and, depending on the particular Fund in which an investor subscribes, may be required to represent that it is a “qualified client” under Rule 205-3 of the U.S. Investment Advisers Act of 1940, as amended (the “**Advisers Act**”), or a “qualified purchaser” as defined in section 2(a)(51)(A) of the Investment Company Act.

In addition, certain of the Funds are subject to minimum capital commitments, as set forth in the applicable Governing Documents. RedBird or the applicable GP may waive or reduce the minimum capital commitment for any investor. It should be noted that the RCP Fund I will remain open to new capital commitments until RedBird determines otherwise, subject to the guidelines and in accordance with the applicable Governing Documents.

## **ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

### **Investment Strategy and Methods of Analysis**

The following summarizes the RedBird Group's investment strategy and RedBird's methods of analysis used in formulating investment advice for the RedBird Group. An investment in the Funds managed by RedBird involves a risk of loss that investors should be willing to bear.

RedBird, on behalf of the RedBird Group, employs an integrated investment approach focusing on corporate growth equity opportunities. RedBird will primarily source proprietary investments through its global network of family offices and entrepreneurs across industry verticals, capital structures and geographies. The RedBird Group will primarily make control and joint control investments in closely held, growth-oriented private companies in partnership with business founders and entrepreneurs. The RedBird Group will seek to create unique opportunities with a fundamental value-investing orientation supplemented by a differentiated investment strategy to optimize risk-adjusted equity returns over the investment holding period.

As noted in Item 4, RedBird identifies, sources and investigates potential investment opportunities for the RedBird Group which will generally invest on a pro rata basis in accordance with, and subject to certain adjustments set forth in, the applicable Governing Documents. Potential investments of the RCP Platform which exceed certain thresholds will require the consent of the Strategic Investor.

The RedBird Group is generally restricted, subject to certain limited exceptions set forth in the applicable Governing Documents, from making an investment where the RCP Platform does not invest. The RCP Platform is also subject to certain restrictions on investing which may be waived by the Strategic Investor.

RedBird's investment process involves careful review and due diligence, including an analysis of the competitive industry landscape, assessment of the management team and ownership structure, financial, accounting and tax review, legal and insurance due diligence and financial analysis. Prior to entering into any definitive agreement, transactions will be thoroughly reviewed by RedBird's investment team. RedBird anticipates that the Funds' investment portfolio will be comprised of private investments across a range of equity securities that position each investment for the most attractive risk-adjusted return specific to that opportunity.

**It is critical that investors and prospective investors refer to the respective Fund's Disclosure Documents (as applicable) and/or Governing Documents for a complete overview of the Fund's investment strategy and RedBird's methods of analysis. The information contained herein is a summary only and is qualified in its entirety by the Fund's Disclosure Documents and/or Governing Documents.**

### **Risk Factors**

An investment in the Funds involves a significant degree of risk. There can be no assurance that the Funds' targeted rate of return will be achieved or that there will be any return of capital. An investor should only invest in a Fund if the investor can withstand the liquidity constraints of

such investment and a total loss of its investment. No guarantee or representation is made that the Fund's investment program will be successful.

The following are some of the additional material risks associated with an investment in the RedBird Group. The following is not intended to be an exhaustive list of such risks and it is critical that investors refer to the Governing Documents and Disclosure Documents of the applicable RedBird investment vehicle for a complete overview of RedBird's investment strategies and the material risks associated therewith. The information contained herein is qualified in its entirety by such documents. In addition, prospective investors should also consult their own legal, investment, tax, regulatory and other advisers as to whether an investment in a RedBird Group investment vehicle is appropriate for them. Certain investment risks of the RedBird Group include:

1. **Nature of the RedBird Group's Investments.** Investments in the RedBird Group vehicles are speculative and volatile, requiring a long-term commitment, with no certainty of return. The RedBird Group may invest in companies that are experiencing or are expected to experience severe financial difficulties, which difficulties may never be overcome. The RedBird Group may also make investments in companies in a conceptual or early stage of development which may not have a proven operating history on which to judge future performance. Such investments are considered highly speculative and may result in the loss of the RedBird Group's entire investment. Since the RedBird Group may only make a limited number of investments and since many of the RedBird Group's investments may involve a high degree of risk, poor performance by a few of the RedBird Group's investments could significantly reduce the total returns to investors. No assurances can be given that the RedBird Group's investment objective will be achieved or that investors will receive a return of their capital.
2. **General Cash Flow Risks.** Certain of the entities in which the RedBird Group will invest may be leveraged and will likely not provide the RedBird Group with any significant cash distributions until the underlying property is sold or refinanced. Accordingly, the RedBird Group will likely not be able to make any significant cash distributions to the applicable investors other than in connection with the disposition of its investments.
3. **Illiquidity; Market for Fund Investments.** There will be no public market for certain of the RedBird Group's investments in privately held entities, and the RedBird Group's ability to dispose of any investment will in many cases be further limited by the agreements entered into by RedBird Group in connection with such investments. The ability of the RedBird Group to sell or distribute securities and to realize investment gains will depend, in large part, upon favorable market conditions, including receptiveness to initial public offerings for the portfolio companies in which the RedBird Group invests and an active mergers and acquisitions market. Initial public offering and merger and acquisition opportunities may be limited or non-existent for extended periods of time, whether due to economic, regulatory or other factors. In view of such limitations on liquidity, which are illustrative and not exhaustive, the RedBird Group will generally not be able to realize on an investment in a privately held entity until the disposition of such

investment. There can be no assurance that the RedBird Group will be able to dispose of its investments at the price and at the time it wishes to do so. Furthermore, such illiquidity may continue even if the underlying entities obtain listings on securities exchanges.

4. **Limited Number of Investments; Lack of Diversity.** Except as set forth in the Governing Documents, entities in the RedBird Group are under no obligation to diversify their investments, whether by reference to the amount invested or the industries or geographical areas in which the investments are made. Accordingly, the RedBird Group will participate in a limited number of investments and, as a consequence, the aggregate return of the RedBird Group may be substantially adversely affected by the unfavorable performance of even a single investment. On any given investment, loss of all or a portion of the original amount of the investment is possible. Investors have no assurance as to the degree of diversification in the RedBird Group's investments, whether by geographic region, industry, asset or transaction type. To the extent the RedBird Group concentrates investments in a particular issuer, industry, security or geographic region, its investments will become more susceptible to fluctuations in value resulting from adverse economic and business conditions with respect thereto. In addition, the RedBird Group expects to make a number of investments for which third party financing will be desirable but not necessarily available at the time of investment. There is significant risk that such financing may never become available, or that a refinancing will not be able to be completed on desirable terms. This could result in the RedBird Group having a variety of unintended long-term investments and/or reduced diversification.
5. **Diversification.** While diversification is an objective of the RedBird Group, there is no assurance as to the degree of diversification that will actually be achieved in the RedBird Group's investments. Because a substantial percentage of the capital commitments (the "**Commitments**") of a RedBird vehicle may be invested in a single portfolio company (or more in certain circumstances), a loss with respect to such a portfolio company could have a significant adverse impact on such vehicle's returns as described above. Furthermore, if the RedBird Group co-invests with other private equity funds, an investor may have exposure to a portfolio company through more than one fund. Therefore, an investor should only invest in the RedBird Group as part of an overall investment strategy, and only if the investor is able to withstand a total loss of its investment.
6. **Non-Controlling Investments.** The RedBird Group may hold less than 50% of the outstanding voting interests of any portfolio company, or may hold investments in debt instruments or other securities that do not entitle the Fund to voting rights, and, therefore, may have a limited ability to protect its investments in any such portfolio company. However, as a condition of investment, the GP may negotiate representation on the board of directors of each such Portfolio Company or appropriate minority shareholder and supervisory rights to protect the RedBird Group's investments.
7. **Investments in Early-Stage and New Companies.** The RedBird Group may invest a portion of its assets in the securities of early stage companies or entirely new companies established around the purchase of a significant asset or assets. Investments in such early

stage or newly formed companies may involve greater risks than generally are associated with investments in more established companies. Less established companies tend to have lower capitalizations and fewer resources and, therefore, often are more vulnerable to financial failure. Such companies also may have shorter operating histories on which to judge future performance and in many cases, if operating, will have negative cash flow. Start-up enterprises may not have significant or any operating revenues, and any such investment should be considered highly speculative and may result in the loss of the RedBird Group's entire investment therein. There can be no assurance that any such losses will be offset by gains (if any) realized on the RedBird Group's other investments.

8. **Additional Capital Requirements of Portfolio Companies.** Certain of the RedBird Group's portfolio companies, especially those in a development or "platform" phase, may require additional financing to satisfy their working capital requirements or acquisition strategies. The amount of such additional financing will depend upon the maturity and objectives of the particular portfolio company. Each such round of financing (whether from the RedBird Group or other investors) is typically intended to provide a portfolio company with enough capital to reach the next major corporate milestone. If the funds provided are not sufficient, a company may have to raise additional capital at a price unfavorable to the existing investors, including the RedBird Group. In addition, the RedBird Group may make additional debt and equity investments or exercise warrants, options or convertible securities that were acquired in the initial investment in such company in order to preserve the RedBird Group's proportionate ownership when a subsequent financing is planned, or to protect the Fund's investment when such portfolio company's performance does not meet expectations. The availability of capital is generally a function of capital market conditions that are beyond the control of the RedBird Group or any portfolio company. There can be no assurance that the portfolio companies will be able to predict accurately the future capital requirements necessary for success or that additional funds will be available from any source.
9. **Risk of Dilution.** Investors admitted or increasing their commitments at subsequent closings may participate in existing investments of the RedBird Group, diluting the interest of previously admitted investors in the applicable RedBird Group vehicle. Although such additional investors (or existing investors increasing their commitments) will contribute their pro rata share of previously made draws by the applicable RedBird Group vehicle, together with interest as described in the Governing Documents, there can be no assurance that these payments will reflect the fair value of their pro rata share of the RedBird Group's existing investments at the time such additional investors are admitted or such existing investors are permitted to increase their commitments.
10. **Material Non-Public Information.** By reason of their responsibilities in connection with their other activities, RedBird's managing partner(s) (the "**Partners**") and other key investment professionals may acquire confidential or material non-public information or be otherwise restricted from initiating transactions in certain securities. The RedBird Group will not be free to act upon any such information. Due to these restrictions, the RedBird Group may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold.

11. **Recycling; Reinvestment.** The GP has the right to recall certain distributions in accordance with the applicable Governing Documents. Accordingly, an investor may be required to make capital contributions in excess of its commitment, and to the extent such recalled amounts are reinvested in investments, an investor will remain subject to investment and other risks associated with such investments.
12. **Reliance on the Management of Portfolio Companies.** Although it is the intention of the RedBird Group to ensure that portfolio companies have strong management teams, there can be no assurance that any portfolio company's management team will be able to operate successfully. Instances of fraud and other deceptive practices committed by the management team of portfolio companies in which the RedBird Group has an investment may undermine the GP's due diligence efforts with respect to such companies. If such fraud is discovered, it could adversely affect the valuation of the RedBird Group's investments and may contribute to overall market volatility that can negatively impact the RedBird Group's investment portfolios.
13. **Third Party Involvement.** The RedBird Group may co-invest with third parties through joint ventures or other entities. Such investments may involve risks in connection with such third-party involvement, including the possibility that a third-party co-venturer may have financial, legal or regulatory difficulties, resulting in a negative impact on such investment, may have economic or business interests or goals which are inconsistent with those of the RedBird Group, or may be in a position to take (or block) action in a manner contrary to the Funds' investment objectives. In addition, certain RedBird Group vehicles may in certain circumstances be liable for the actions of its third-party co-venturers. In those circumstances where such third parties involve a management group, such third parties may receive compensation arrangements relating to such investments, including incentive compensation arrangements.
14. **Uncertainty Regarding Investments.** Although the RedBird Group will make every effort to conduct appropriate due diligence prior to making an investment, the due diligence process may be subjective at times, may be required to be undertaken on an expedited basis in order to take advantage of available investment opportunities and may require the RedBird Group to rely on limited resources available to it including information provided by the target of the investment and third-party consultants, legal advisers, accountants and investment banks. As a result, it is uncertain whether the due diligence investigation will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. The RedBird Group also cannot be certain that the due diligence investigation will result in investments being successful.
15. **Asset Valuations.** With certain limited exceptions, valuations of current income and disposition proceeds with respect to Fund investments will be determined by the General Partner and will be final and conclusive for all Partners. The Fund may not provide periodic pricing or valuation information to investors with respect to the Fund's investments.

16. **Consequences of Default.** In the event that an investor fails to fund any of its capital commitment when required, there may be certain contractual consequences applicable to such investor's interest in the RedBird Group in accordance with the applicable Governing Documents. If an investor fails to pay any of its capital commitment when due, and the applicable RedBird Group vehicle is not able to cover such defaulted amounts, the RedBird Group vehicle may be unable to pay its obligations when due. As a result, the RedBird Group may be subjected to significant penalties that could materially adversely affect the returns to the investors (including non-defaulting investors). In addition, any non-defaulting investors in the applicable RedBird Group vehicle may be required to increase their contributions to the investment resulting in the defaulted capital contribution and in respect of subsequent RedBird Group investments which, in turn, will reduce the degree of diversification of such investors' investment in the RedBird Group and increase such investors' risk of loss.
17. **Bridge Financings.** From time to time, in certain circumstances (as set forth in the Governing Documents) the RedBird Group may lend to portfolio companies on a short term, unsecured basis in anticipation of a future issuance of equity or long term debt securities. Where permitted under its Governing Documents, a RedBird Group may look to covert such bridge loans into a more permanent, long term security; however, for reasons not always in the RedBird Group's control, such long term securities may not be issued and such bridge loans may remain outstanding. In such event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by the RedBird Group.
18. **Risk of Leverage.** Certain entities in the RedBird Group, or certain special purpose vehicle(s) established by the RedBird Group, may borrow funds to pay partnership expenses, to make new or follow-on investments, or to make payments under guarantee, surety or hedging transactions in accordance with the Governing Documents. The use of borrowed funds creates the opportunity for greater total returns, but at the same time involves certain risks. Since the RedBird Group entity, or any such special purpose vehicle, generally will pay principal of, and interest on, its borrowings prior to making any distributions to the investors, an increase or decrease in capital or income of the RedBird Group vehicle or any such special purpose vehicle will have an increased effect on the returns to the investors. Because any decline in the value of the RedBird Group vehicles' investments would be borne entirely by the applicable investors, the effect of leverage in a declining market would result in a greater decrease in capital than if such RedBird Group vehicle was not leveraged.

The RedBird Group's investments may be in portfolio companies whose capital structures have significant leverage. Although the GP will seek to use leverage in a prudent manner, the leveraged capital structure of such investments will increase the exposure of the portfolio companies to adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the condition of the portfolio companies or their industries. The incurrence of significant indebtedness could also subject such portfolio companies to restrictive covenants, terms and conditions the violation of which would be viewed by creditors as an event of default and which could

require the prepayment of debt using excess cash flow and limit such portfolio companies' ability to respond to changing industry conditions, make necessary capital expenditures, obtain additional financing, take advantage of growth opportunities or engage in strategic acquisitions.

19. **Availability of Financing.** The RedBird Group's ability to invest in portfolio companies may depend on the availability and terms of any borrowings that are required or desirable with respect to such investments. A decrease in the availability of financing (or an increase in the interest cost) for leveraged transactions, whether due to adverse changes in economic or financial market conditions or a decreased appetite for risk by lenders, could impair the RedBird Group's ability to consummate these transactions and could adversely affect the RedBird Group's returns.
20. **Hedging Policies and Risks; Synthetic Investments.** In connection with the financing of certain investments, the RedBird Group may employ hedging techniques designed to reduce the risks of such investments, including, without limitation, adverse movements in interest rates, securities prices and currency exchange rates. However, the RedBird Group is not required to employ such hedging techniques in connection with its investments, and may be unable to anticipate all risks against which such hedges could be employed. In addition, such transactions have inherent risks associated with them, including the possible default by the counter-party to the transaction and the illiquidity of the instrument acquired by the RedBird Group relating thereto. Although such transactions may reduce the RedBird Group's exposure to, among other things, currency fluctuations or decreases in the value of investments, the costs and risks associated with these arrangements may reduce the returns that the RedBird Group would have otherwise achieved if these transactions were not entered into by the RedBird Group. In addition, although such hedging transactions may hedge economic risks, they may not be effective hedges for tax purposes. For example, the tax character of the gain or loss on the hedging transaction may differ from the character of the gain or loss on the investment or the timing of the gain or loss for tax purposes may differ between the hedging transaction and the investment.

With respect to any investments in synthetic instruments, the RedBird Group will have a contractual relationship only with the synthetic instrument counterparty, and no direct rights with respect to the underlying asset. The RedBird Group may not have any voting, information, or other rights of ownership with respect to the underlying asset. In addition, the RedBird Group will be subject to the credit risk of the synthetic instrument counterparty, and, in the event of the insolvency of such counterparty, the RedBird Group generally will be treated as a general creditor of such counterparty, and will not have any claim of title with respect to the underlying asset.

21. **Controlling Interests.** Because of its equity ownership, representation on the board of directors and/or contractual rights, the RedBird Group may often be considered to control, participate in the management of or influence the conduct of portfolio companies. The exercise of control over a company may impose additional risks of liability for environmental damage, product defects, pension and other fringe benefits,

failure to supervise management, violation of laws and governmental regulations (including securities laws) and other types of liability, for which the limited liability generally afforded to investors may be ignored. If these liabilities were to arise, the RedBird Group may suffer a significant loss, exposing the assets of the RedBird Group to claims by a portfolio company, its other security holders, its creditors or governmental agencies, which may exceed the value of the RedBird Group's initial investment in that portfolio company.

22. **Repayment of Certain Distributions.** In the event the RedBird Group is otherwise unable to meet its obligations, the investors may be required to repay to the RedBird Group or to pay to creditors of the RedBird Group distributions previously received by them in accordance with the Governing Documents. In addition, investors may be required to pay to the RedBird Group amounts that are required to be withheld by the applicable RedBird Group vehicle for tax purposes.
23. **Relationship with Strategic Investor.** The Strategic Investor has a close relationship with the RedBird Group, and has been granted certain rights with respect to the operation of various RedBird entities, including certain approval rights in respect of the Platform Payment. In addition, in the event of a termination of the RCP Platform, the Strategic Investor will have a limited obligation, if any, to continue to make such payments, which may make it more difficult for the RedBird Group to cover the expenses of operating the business or access sufficient working capital.

Further, as a result of RedBird's exclusive sourcing obligations to the RCP Platform as detailed in the relevant Governing Documents, and the requirement that the Funds cannot make investments in which the RCP Platform does not participate (with limited exception), the success of the Funds will depend substantially on RedBird's ability to, among other things, source, structure and complete investments within the RCP Platform. While the Strategic Investor is required to fund certain investments (unless otherwise prohibited for the RCP Platform), it has an approval right over other investments. As a result, any change in RedBird's working relationship with the Strategic Investor may reduce the number and variety of investments presented to the Funds."

**Other COIs managed by RedBird have risks that may be the same or different than the general risks for the RedBird Group disclosed above, depending on the risks associated with the applicable terms of the underlying co-investment fund and the underlying transaction.**

**It is critical that investors and prospective investors refer to the respective Fund's Disclosure Documents (as applicable) and/or Governing Documents for a detailed description of the material risks related to an investment in the Fund. The information contained herein is a summary only, and investors and prospective investors are advised to carefully review all risk factors set forth in the relevant Disclosure Documents and/or Governing Documents.**

## **ITEM 9 – DISCIPLINARY INFORMATION**

RedBird is required to disclose all material facts regarding any legal or disciplinary events that would be material to an investor's evaluation of RedBird or the integrity of RedBird's management. RedBird has no legal or disciplinary information to disclose at this time.

## **ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

As described above in Item 4, each of the GPs is a related person of, and under common control with, RedBird, and serves as general partner to a respective Fund, and in connection therewith, the GP (or an affiliate of the GP/RedBird), together with RedBird, provides investment management and administrative services to the respective Fund. As described in Item 6, the applicable GP is entitled to receive performance compensation from the RCP Fund I and RCP Platform, which creates a potential conflict of interest in that it may create an incentive for RedBird to make investments that are riskier or more speculative than in the absence of such performance-based fees.

It should be noted that certain of the GPs have filed with the National Futures Association (the “NFA”) a notice of exemption from registration with the U.S. Commodity Futures Trading Commission (the “CFTC”) as a commodity pool operator (“CPO”) with respect to the Funds pursuant to CFTC Rule 4.13(a)(3). RedBird does not believe that the GP’s status as an exempt CPO creates any conflicts of interest with the Advisory Clients or investors.

As described elsewhere in this Brochure, RedBird generally seeks to make significant investments in portfolio companies. RedBird seeks control or substantial minority positions in portfolio companies, with board representation and customary shareholder rights. As such, RedBird’s management persons and/or related persons may have management roles with portfolio companies.

Further, RedBird’s management persons and/or related persons may, and have, worked on other projects (other than for RedBird), including projects for their personal benefit, which may be investment advisory in nature. Such personnel will also serve as members of the boards of directors of various companies other than portfolio companies. The possibility exists that such companies could engage in transactions which would be suitable for the Funds, but in which the Funds might be unable to invest. RedBird’s key investment professionals may also enter into strategic alliances or form other investment vehicles in the future that are independent of the Funds, as permitted under the applicable Governing Documents. Conflicts may arise in the allocation of management resources as a result of such other activities.

RedBird maintains internal compliance policies that are intended to minimize the negative effects of such conflicts if they arise; however, there can be no assurance that permitting the board membership of RedBird’s management persons and/or related persons will not result in less favorable results for the Funds than if the such personnel were not permitted to serve in such capacity. Finally, it should be noted that investors are provided with disclosure with respect to these potential conflicts in the respective Fund’s Disclosure Documents (as applicable) and/or Governing Documents.

## **ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### **Code of Ethics**

RedBird has adopted a Code of Ethics (the “**Code**”) designed to meet the requirements of Advisers Act Rule 204A-1. The Code applies to RedBird’s “Access Persons.” Access Persons include, generally, any member, officer or director of RedBird and employees (as applicable) of RedBird who, in relation to the Funds: (1) has access to non-public information regarding any purchase or sale of securities, or non-public information regarding securities holdings or (2) is involved in making securities recommendations, executing securities recommendations, or has access to such recommendations that are non-public. All RedBird employees are deemed to be Access Persons.

The Code sets forth a standard of business conduct that takes into account RedBird’s status as a fiduciary to the Advisory Clients and requires Access Persons to place the interests of Advisory Clients above their own interests. The Code requires Access Persons to comply with applicable federal securities laws. Further, Access Persons are required to promptly bring violations of the Code to the attention of RedBird’s Chief Compliance Officer. All Access Persons are provided with a copy of the Code and are required to acknowledge receipt of the Code upon hire and on at least an annual basis thereafter.

The Code sets forth certain reporting and pre-clearance requirements with respect to personal trading by Access Persons. Each Access Person is required to provide RedBird’s Chief Compliance Officer with a list of their personal accounts and an initial holdings report listing the holdings of such personal accounts within 10 days of becoming an Access Person. In addition, RedBird’s Access Persons are required to provide annual holdings reports and quarterly transaction reports detailing, respectively, the securities holdings and quarterly transactions in their personal accounts in accordance with Advisers Act Rule 204A-1.

The Code also describes RedBird’s duty to protect material non-public information about securities/investment recommendations provided to (or made on behalf of) Advisory Clients.

Investors or prospective investors may obtain a copy of the Code by contacting RedBird.

### **Conflicts of Interest**

RedBird’s relationship with the Strategic Investor gives rise to a number of actual, potential and apparent conflicts of interest between RedBird, the GPs and the RCP Platform, on the one hand, and the other RedBird-sponsored Funds, on the other hand.

The information contained herein is a summary only and it is critical that investors refer to the Governing Documents and Disclosure Documents of the applicable RedBird investment vehicle for a complete overview of RedBird’s investment strategies and the material risks associated therewith. The information contained herein is qualified in its entirety by such documents. In addition, prospective investors should also consult their own legal, investment, tax, regulatory and other advisers as to whether an investment in a RedBird Group investment vehicle is appropriate for them.

Some examples of such conflicts include:

- **Investment Allocations:** RedBird is responsible for sourcing investments for, and allocating investments between, entities in the RedBird Group, subject to restrictions in the Governing Documents and contractual arrangements agreed to by the various RedBird Group vehicles and disclosed to investors. Despite these restrictions, RedBird still exercises discretion in making such allocation determinations, and conflicts may arise. As a result of RedBird's relationship with the Strategic Investor, RedBird may have an incentive to allocate potential investments in a way that best suits the Strategic Investor's needs. In addition, while RedBird bases its allocation decisions on the information available to us at the time, this information may prove in retrospect to be incomplete or otherwise flawed.
- **Investment Structuring:** In selecting and structuring investments for the Funds, RedBird considers the respective legal, tax and regulatory constraints of the Investors, including the Strategic Investor. However, RedBird cannot guarantee that it will be able to structure investments in a manner that satisfies the concerns of all Investors and RedBird has certain obligations under the Governing Documents to structure investments and dispose of investments in a certain manner that may be more favorable to the Strategic Investor or otherwise disadvantage other Investors. These conflicts and certain other commitments are described in greater detail in the Disclosure Documents.

RedBird's interests and the interests of the Strategic Investor may diverge from the interests of the other investors. While RedBird seeks to structure the making and disposition of investments in a manner that considers the interests of all Investors, it may not always be possible to do so in accordance with the terms of the Governing Documents, and the terms of such sale may be less favorable than the terms that a Fund if RedBird were not subject to such obligations.

Given the importance and nature of RedBird's business relationship with the Strategic Investor, the size of the Strategic Investor's commitment relative to the other Investors, as well as certain commitments under the RCP Platform's Governing Documents, RedBird will have an incentive, or in some cases may be obligated, to structure investments in a way that may create a more favorable legal, tax or regulatory outcome for the Strategic Investor than the Funds and/or other Investors.

RedBird serves as adviser to the Funds, and RedBird and the applicable GP (or another RedBird affiliate) receive compensation for such services. Additionally, as explained in Item 10 above, each Fund's GP, which is a related person of RedBird, will serve as the general partner to the respective Fund. The GP, and/or other related persons of RedBird, will also commit capital to the GP COI, which will invest alongside the RCP Platform and the RCP Fund I, and as a result every investment made by the RedBird Group will involve a purchase of securities whereby related persons of RedBird acquire an indirect interest in such securities. These transactions have the potential to present conflicts of interest as described below.

- RedBird receives a management fee and other payments, and the GP may be eligible to receive a performance-based allocation for their services to the Funds (as disclosed in Item 5 of this Brochure). As noted in Item 6, the possibility that the GP could receive performance-based compensation creates a potential conflict of interest in that it may

create an incentive for RedBird to make more speculative investments than it might otherwise make. However, RedBird believes that, because the GP COI will invest alongside the RCP Platform and the RCP Fund I, the interests and incentives of RedBird and the GPs aligns with investors in the Funds. It should also be noted that conflicts regarding performance-based compensation may arise to the degree that RedBird brings in additional Advisory Clients or forms additional Funds or co-investment vehicles. RedBird recognizes its fiduciary status and its obligation to treat all Advisory Clients in a fair and equitable manner.

- As referenced below, the Code places restrictions on the ability of RedBird employees to hold interests in Funds' portfolio companies outside of their indirect interests through their investment in the GP COI. RedBird maintains a "watch list" containing securities/companies in which Access Persons are prohibited from investing without appropriate pre-clearance from the Chief Compliance Officer. Further, pursuant to Advisers Act Rule 204A-1, RedBird requires its Access Persons to obtain the Chief Compliance Officer's approval before they directly or indirectly acquire beneficial ownership in any security in an initial public offering (if permissible) or in a limited offering (such as a private fund, including a hedge fund, private equity fund, etc.).
- As described in Item 5 of this Brochure, RedBird may receive financial consulting fees, directors' fees, monitoring fees and other deal fees and break-up fees earned in respect of the RedBird Groups' investments. Any such fees received in connection with an investment will be allocated among the participating Funds pro rata based on the amount contributed to the investment.
- As described in Item 5 of this Brochure, from time to time, a RedBird affiliate may provide financial advisory and transaction execution services to certain of a Fund's portfolio companies or otherwise be involved in providing financial advisory and other services. These activities do not need to be approved by the investors or the Advisory Board, and compensation received in connection with these activities may be shared with the Fund or reduce the management fees (or other fees) payable by the investors. Payment of such fees presents a potential conflict of interest because it could create an incentive for RedBird or the GP to cause a Fund to invest its capital in a company that will pay such a fee to RedBird or its affiliate. RedBird will make efforts to mitigate this conflict of interest by generally seeking to ensure that such fees are, in the good faith opinion of RedBird, in accordance with prevailing market rates in the relevant industry. RedBird does not take into consideration whether a portfolio company will pay RedBird or its affiliate a services fee when making an investment determination.
- RedBird and/or its affiliates and RedBird's key investment professionals intend to devote such time as shall be necessary to conduct the business affairs of the Funds in an active and appropriate manner. However, investors should be aware that many of the key investment professionals may have significant other responsibilities to RedBird and/or its affiliates, including, without limitation, any advisory or other financial services business in which RedBird may engage, as permitted under the applicable Governing Documents. Such investment professionals may also form other investment vehicles in the future that are independent of the Funds.

- RedBird and/or its affiliates, may engage in the future, in a broad spectrum of activities, as permitted under the applicable Governing Documents, including investment banking, lending, principal investing (including investing alongside the Funds), financial and merger and acquisition advisory services, underwriting, investment management activities, sponsoring and managing private investment funds, brokerage, trustee and similar activities on a global basis. In the ordinary course of business, RedBird and/or its affiliates may engage in activities where its interests or the interests of other Advisory Clients may conflict with the interests of a particular Fund, the portfolio companies, the investors or the General Partner. Conflicts of interest may also arise between RedBird and/or certain of its affiliates, on the one hand, and the Funds, on the other hand.
- RedBird may give advice and take action with respect to any of its Advisory Clients or proprietary accounts without respect to the interest of a particular Fund or the investors. RedBird may give advice and provide recommendations to persons competing with a Fund and/or any of the portfolio companies that are contrary to the interests of a Fund and/or any of the portfolio companies. RedBird may receive significant advisory or other fees from other investment funds, portfolio companies and/or other future funds sponsored by RedBird. Services for advisory fees may range from general corporate financial advice to restructuring advice to merger and acquisition representation and capital markets transactions. The Funds will not share in such fees or other benefits that may accrue to RedBird.
- RedBird may form other investment funds, including funds whose investment objectives may overlap with the investment objectives of a particular Fund. RedBird's investment team may be responsible for the management of other investment funds that RedBird may form and may have obligations to offer investments to such funds and their successors. Accordingly, investment opportunities that are otherwise appropriate for a particular Fund may instead be offered, in whole or in part, to other RedBird investment funds. In allocating investment and co-investment opportunities between a Fund and such other investment funds, RedBird's investment team will take into account various factors, which may include the investment objectives, the available capital commitments, the targeted rates of return, the stage of development of the prospective portfolio company and the composition of the portfolios of the applicable Fund and such other investment funds. No approval from the Advisory Board or from any investor in the RCP Fund I will be required for any investment by a particular Fund in any portfolio company of any investment fund managed or controlled by RedBird or any of its respective affiliates, so long as such investment is made on arm's length terms.
- Where appropriate and feasible, RedBird/the GP may offer some or all of the investors and/or any other persons (which may include, among others, RedBird affiliates and investors in other funds advised by RedBird in the future) opportunities to co-invest in portfolio companies in which the Funds are investing in accordance with the Governing Documents. Such investors and/or other persons may make such co-investments on terms and conditions that are materially different from each other and the investment by a particular Fund, and these terms may be more or less favorable to such investors and/or other persons, including with respect to fees, expenses, carried interest, exit rights and other material terms. Some or all of the investors or other persons participating in a co-

investment opportunity may or may not be charged carried interest, management fees or other fees in connection therewith.

- Unless otherwise set forth in the Governing Documents, the GP is under no obligation to provide co-investment opportunities to investors, and any such co-investment opportunity may be offered to some and not other investors. Co-investment opportunities may be allocated among any investors in any Fund advised by RedBird, and/or other persons as determined by the GP in its sole discretion (including RedBird affiliates), and any such allocations as between investors may not correspond to their pro rata interests in a particular Fund. In addition, the allocation of a co-investment opportunity to persons that are not investors (including RedBird affiliates) would result in the investors receiving a smaller share of such co-investment opportunity than they would have had the entire co-investment opportunity been offered to the investors.
- In determining such allocations, the GP shall be subject to any obligations set forth in the Governing Documents, and also may take into account any facts or circumstances it deems appropriate, including the size of the prospective co-investor's investment in a particular Fund advised by RedBird; the GP's evaluation of the financial resources, sophistication, experience and expertise of the potential co-investor generally, with respect to the execution of co-investment transactions, and with respect to the geographic location or business activities of the applicable portfolio company; RedBird's perception of its past experiences and relationships with each prospective co-investor, including whether or not such person has co-invested with RedBird previously and the ability of any such potential co-investor to respond promptly to potential investment opportunities; RedBird's perception of the legal, regulatory, reporting, public relations, competitive, confidentiality or other issues that may arise with respect to any prospective co-investor; and any strategic or economic value or other benefit to the Funds or RedBird resulting from offering such co-investment opportunity to a prospective co-investor.
- The GP or its affiliates may enter into contractual arrangements with investors and/or third parties providing preferential rights to co-invest in the portfolio companies, and the GP and/or its affiliates may receive economic, strategic or other benefits from such arrangements. Such arrangements may create an incentive for the GP to allocate co-investment opportunities differently than it would in the absence of such arrangements and may reduce the co-investment opportunities available for other investors.
- The participation by one or more co-investors in an investment has the potential to present conflicts as a result of differing interests as between a Fund and such co-investors. In addition, the applicable Fund's interest in an investment has the potential to be negatively impacted by the actions of a participating co-investor, including as a result of such co-investor's failure to fund any portion of its investment.

RedBird primarily addresses the potential conflicts noted above by enforcing a robust Code of Ethics that (i) requires Access Persons to place the interests of the Advisory Clients over their own, (ii) requires all Access Persons to acknowledge their receipt and understanding of the Code, upon hire and annually thereafter, and (iii) prohibits Access Persons from making investments in certain securities/companies without appropriate preclearance from the Chief Compliance Officer.

Additionally, as referenced in Item 4, RedBird Fund I has an Advisory Board that is comprised of a select group of investors who meet periodically to provide advice, oversight and approval of certain aspects of the RedBird Fund I's investment activities as set out on the applicable Governing Documents. The Advisory Board is also asked to review and approve certain potential conflicts of interest and certain other matters.

**Any future COIs may have conflicts of interest that may be the same or different than the general conflicts of interests for the RedBird Group disclosed above, depending on the risks associated with the applicable terms of the underlying co-investment fund and the underlying transaction.**

**It is critical that investors and prospective investors refer to the respective Fund's Disclosure Documents (as applicable) and/or Governing Documents for a detailed description of potential conflicts of interest related to an investment in the Fund. The information contained herein is a summary only, and investors and prospective investors are advised to carefully review all conflicts of interest set forth in the relevant Disclosure Documents and/or Governing Documents.**

## **ITEM 12 – BROKERAGE PRACTICES**

The private company securities which are the primary investments by the Advisory Clients are generally purchased in private placement transactions, without the assistance of a broker-dealer and without the payment of brokerage commissions or dealer mark-ups.

RedBird does not utilize “soft dollars.”

### **Allocation and Aggregation of Investments**

As described elsewhere in this Brochure, the Funds in the RedBird Group generally invests on a pro rata basis in accordance with, and subject to certain adjustments set forth in, the applicable Governing Documents. It should be noted that, subject to certain limited exceptions, the Funds do not invest in public securities.

### **ITEM 13 – REVIEW OF ACCOUNTS**

The Advisory Clients' portfolios are under continuous review by the Managing Partner and other members of the Advisory Clients' investment team. Such reviews include a review of investment policy, the suitability of the investments used to meet policy objectives, and investment objectives. RedBird considers, among other things, investment performance, the portfolio's sensitivity to market changes, and whether anything has changed subsequent to an initial investment decision that impacts the risk or potential return.

Additionally, as described elsewhere in this Brochure, members of the RCP Fund I's Advisory Board meet periodically to provide advice, oversight and approval of certain aspects of the RedBird Fund I's investment activities as set out on the applicable Governing Documents.

Each investor in the Funds receives: (i) quarterly unaudited financial statements of the Fund, which may include a brief summary about quarterly overall Fund activity; (ii) an annual financial report audited by a nationally recognized accounting firm; and (iii) tax information regarding the Fund necessary for the completion of each investor's tax return. Similar reports are provided to investors in the COIs.

#### **ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION**

RedBird does not directly or indirectly compensate any person for Fund or Advisory Client referrals. Notwithstanding the above, RedBird may work with non-affiliated companies to receive the names of potential investors.

## ITEM 15 – CUSTODY

RedBird or the GP is deemed to have custody of the Advisory Clients assets pursuant to Advisers Act Rule 206(4)-2 (the “**Custody Rule**”).

As RedBird’s investment program primarily involves investments in private companies, RedBird generally is exempt from the requirement that securities be maintained with a “qualified custodian,” as defined in the Custody Rule, which generally includes a bank or broker-dealer.

RedBird anticipates that the majority of its investments in private companies will involve securities that are (i) acquired from the issuer in a transaction or chain of transactions not involving any public offering; (ii) uncertificated, to the extent ownership thereof is recorded only on the books of the issuer or its transfer agent in the name of the client; and (iii) transferable only with prior consent of the issuer or holders of the outstanding securities of the issuer. Such securities are not required to be maintained by a qualified custodian. Further, certain certificated, privately offered securities, in which the Funds may invest, are also not required to be maintained by a qualified custodian, provided that: (i) the Funds are subject to an annual audit as explained below; (ii) the certificate can be used only to effect a transfer or to otherwise facilitate a change in beneficial ownership of the security with the prior consent of the issuer or holders of the outstanding securities of the issuer; (iii) ownership of the security is recorded on the books of the issuer or its transfer agent in the name of the client; (iv) the certificate contains a legend restricting transfer; and (v) the certificate is appropriately safeguarded by RedBird and can be replaced upon loss or destruction.

It should be noted that RedBird maintains the cash assets of the Advisory Clients with qualified custodians. To the extent that RedBird makes an investment in a publicly-traded security, or RedBird’s investments in private companies involve securities that are certificated, and do not satisfy the conditions referenced above, RedBird will maintain such securities/certificates with a qualified custodian.

RedBird is exempt from the quarterly account statement delivery obligations and surprise audit requirement of the Custody Rule because the Advisory Clients are audited each calendar year by an independent public accountant, registered with and subject to inspection by the Public Company Accounting Oversight Board (PCAOB), and RedBird distributes audited financial statements (“AFS”) to investors annually within 120 days of the applicable Fund’s fiscal year-end. The Funds’ auditors are identified in RedBird’s Form ADV Part 1.

## **ITEM 16 – INVESTMENT DISCRETION**

As explained in Item 4 above, pursuant to the respective Fund's Disclosure Documents (as applicable) and/or Advisory Client's Governing Documents, RedBird has discretionary authority to manage securities accounts on behalf of the Advisory Clients. RedBird is authorized to make transaction recommendations for the Advisory Clients. Individual investors do not have the ability to impose limitations on RedBird's discretionary authority other than what has been negotiated in the relevant Governing Documents, and RedBird may be required to obtain the Strategic Investor's consent for certain potential investments of the RCP Platform. Investors must execute a subscription agreement in which they make various representations, including representations regarding their suitability to invest in a high-risk investment pool. Further, investors execute a limited partnership agreement and/or subscription agreement which include a power of attorney clause.

## **ITEM 17 – VOTING CLIENT SECURITIES**

RedBird has authority to vote Advisory Client securities. However, based upon RedBird's business as a private equity fund manager (and general lack of involvement in publicly-traded securities), it is not anticipated that much proxy voting, if any, will occur. However, there are situations where private companies could have proxy issues (i.e., a private portfolio company needs approval of investors to make changes to board of directors, auditors, etc.). In such situations, RedBird (or the GP) may have authority to vote proxies on behalf of Advisory Clients.

RedBird has adopted and implemented policies and procedures reasonably designed to ensure that public company proxies (if applicable), as well as portfolio company solicitations received by RedBird on behalf of the Advisory Clients (together, "proxies"), are voted in the best interests of the Advisory Clients and investors, and to recognize and resolve any material conflicts of interest that may arise in the course of such voting.

RedBird and/or its personnel may have business or personal relationships with the proponents of proxy voting proposals, participants in proxy voting contests, corporate directors and officers, or candidates for directorships. If a conflict is identified, such individuals will then make a determination as to whether the conflict is material or not. If no material conflict is identified pursuant to these procedures, the proxy will be voted in accordance with the best interest of the relevant Advisory Client. If a material conflict is identified, such individuals will determine what course of action is in the best interests of the Advisory Client (which may include utilizing an independent third party to vote such proxies). Further, RedBird will determine whether it is appropriate to disclose the conflict to investors and give such investors the opportunity to vote the proxies in question themselves.

The Chief Compliance Officer (or his designee) will deliver proxies in accordance with instructions related to such proxy. In the event proxy voting procedures were ever to be utilized, RedBird would keep a record of its proxy voting policies and procedures, proxy statements received, votes cast, all communications received and internal documents created that were material to voting decisions, and each investor request for proxy voting records and RedBird's response for the previous five years.

Investors or prospective investors may obtain additional information regarding how RedBird voted proxies (if any) and may obtain a copy of RedBird's proxy voting policies and procedures by contacting RedBird.

## **ITEM 18 – FINANCIAL INFORMATION**

RedBird and its affiliates do not require or solicit prepayment of fees longer than six months in advance. RedBird is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to the Advisory Clients or investors.