

# HW Capital Advisors, LLC

850 Third Avenue, 15<sup>th</sup> fl.  
New York, NY 10022

(212) 867-0888

Part 2A of Form ADV: Firm Brochure  
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**This brochure provides information about the qualifications and business practices of HW Capital Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (212) 867-0888. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.**

**Additional information about HW Capital Advisors, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Please note, where this brochure may use the terms "registered investment adviser" and/or "registered", registration itself does not imply a certain level of skill or training.**

**An investment adviser's registration with the SEC does not imply a certain level of skill or training.**

**Item 2 - MATERIAL CHANGES**

In this item, HW Capital Advisors, LLC (HW Capital Advisors) is required to discuss any material changes that have been made to the brochure since the last annual amendment. This brochure has been updated to include:

- 1) Item 5 and 11; that certain expenses for HW Capital Advisors' employee compensation and benefits and for overhead of HW Capital Advisors are allocable to Tunbridge pursuant to the HW Agreement,
- 2) Item 6; HW Agreement provides for payment to affiliates of HW Capital Advisors, and
- 3) Item 15; HW Capital Advisors maintains custody of client's cash and bank accounts.

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#### **ITEM 4 - ADVISORY BUSINESS**

HW Capital Advisors is a Delaware limited liability company that was formed in September, 2009. HW Capital Advisors is wholly-owned by Hodes Weill & Associates, LP (Hodes Weill).

HW Capital Advisors currently has a single client, Tunbridge Partners LLC (“Tunbridge”) and \$310,500,000 of assets under management. Tunbridge will acquire equity stakes in managers of private real assets-focused investment funds. The strategy seeks to establish a portfolio of minority interests in real assets-focused investment management firms, diversified across strategy and geography. As an advisor, HW Capital Advisors will identify investment opportunities and participate in the diligence, acquisition, management, monitoring and disposition of investments for Tunbridge.

All references in this initial Firm Brochure as to advisory services being provided by HW Capital Advisors are made with the intention that HW Capital Advisors will begin providing such advisory services to Tunbridge once capital is committed to Tunbridge and all documentation and agreements are finalized.

##### ***Ownership Background – Hodes Weill & Associates, LP***

Hodes Weill is 99.9% owned by the following limited partners: David Hodes, Douglas Weill, Susan Swanezy, Alfredo Lobo and Will Rowson. The .10% general partner of Hodes Weill is HWA, LLC, a Delaware limited liability company which is 100% owned by the same individuals who are limited partners in Hodes Weill (namely David Hodes, Douglas Weill, Susan Swanezy, Alfredo Lobo and Will Rowson).

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

As of the date of this Firm Brochure, HW Capital Advisors had \$310,500,000 in non-discretionary assets under management. HW Capital Advisors does not currently manage any assets on a discretionary basis.

#### **ITEM 5 - FEES AND COMPENSATION**

The HW Agreement (HW Agreement) between HW Capital Advisors and Tunbridge provides for HW Capital Advisors to receive an annual fee, payable quarterly in arrears, and payable in cash and interests in Tunbridge (in lieu of cash), as described below. After a certain specified period of time described in the HW Agreement, the annual fee may be adjusted by mutual agreement of the parties, both in amount and in the mix of cash and interests in Tunbridge.

Additionally, certain interests in Tunbridge are intended to be “profits interests”, and as such, represent a form of incentive payment which have been issued to affiliates of HW Capital Advisors (performance-based distributions). Certain expenses for HW Capital Advisors' employee compensation and benefits and for overhead of HW Capital Advisors are allocable to Tunbridge pursuant to the HW Agreement.

Fees with future advisory clients will be negotiated.

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

As noted above in Item 5, the HW Agreement provides for payment to affiliates of HW Capital Advisors of performance-based distributions that reflect a disproportionate share of Tunbridge's distributions, after a return-of and a return-on capital to Tunbridge's investors which may create an incentive for HW Capital Advisors to recommend investments with higher risks in advising Tunbridge that it would not otherwise recommend in the absence of such arrangements. Tunbridge meets the SEC's definition of a "Qualified Client" in Rule 205-3 of the Investment Advisers Act of 1940, as amended (Advisers Act).

In the event that HW Capital Advisors provides services in the future to one or more additional clients, it will adopt policies and procedures that, among other things, will seek to ensure that investment opportunities are allocated in a manner that HW Capital Advisors believes in good faith is fair and equitable to its clients under the circumstances. The policies and procedures will consider such factors as HW Capital Advisors deems relevant, in its sole discretion, including the specific investment objectives and strategies of each client it advises. See Item 11 below for additional information with respect to how conflicts of interest are generally addressed by HW Capital Advisors.

#### **ITEM 7 - TYPES OF CLIENTS**

The initial advisory client of HW Capital Advisors is Tunbridge, an investment vehicle that invests in managers of private real assets-focused investment funds. HW Capital Advisors may, in the future, advise other clients with different investment objectives and strategies.

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

With respect to Tunbridge, the investment strategy for which HW Capital Advisors will provide advisory services looks to achieve income and capital appreciation by establishing a portfolio of established private real assets-focused investment management companies. The strategy seeks to acquire interests in real assets-focused fund management firms, diversified across strategy and geography.

In conducting analyses on behalf of Tunbridge, HW Capital Advisors can utilize a broad spectrum of information sources, including, but not limited to:

- Reviews of private corporate documents (including business plans, financial records and projections) of potential Underlying Fund Managers (defined below)
- Legal documents and client agreements, and industry research and reviews of potential Underlying Fund Managers (defined below)
- Interviews with key officers and clients of potential Underlying Fund Managers (defined below)

HW Capital Advisors will compile the foregoing information and employ a variety of financial analysis tools and methodologies in valuing and evaluating potential investments. Following an investment, HW Capital Advisors will continue to monitor the investment.

HW Capital Advisors may implement different methods of analysis and investment strategies for future clients. This Form ADV Part 2 will be updated, as applicable, to reflect such methods of analysis and investment strategies.

## **I. Risk factors relating to Tunbridge s' business**

Inherent in Tunbridge s' investment strategy are a number of risk factors, including risks associated with Tunbridge's strategy of investing in unrelated investment managers (Underlying Fund Managers) who, in turn, sponsor and manage investment funds that invest in real assets. These risks result in a risk of investment loss for Tunbridge and its investors.

### ***Tunbridge's financial results depend on the investment performance of Tunbridge's Underlying Fund Managers.***

Tunbridge's Underlying Fund Managers will be investment managers unrelated to, and outside the control of, Tunbridge. Neither Tunbridge nor HW Capital Advisors will have an active role in the day to day management of the Underlying Fund Manager's investment funds or the assets thereof. Moreover, neither Tunbridge nor HW Capital Advisors will have the opportunity to evaluate specific investments made by any Underlying Fund Manager's managed investment funds prior to the consummation of such investments. As a result, the financial performance of Tunbridge and HW Capital Advisors will primarily depend on the performance of the Underlying Fund Managers over which Tunbridge will have limited or no control, and could be substantially adversely affected by the unfavorable performance of one or more such Underlying Fund Managers. The Underlying Fund Managers may be paid fees based on investment performance on an absolute basis or relative to a specified benchmark, or fees based on the market value of assets under management, and, as such, are directly dependent upon investment results which may vary substantially from year to year.

### ***Tunbridge's growth strategy depends upon continued growth from Underlying Fund Managers in which it invests and upon Tunbridge making new investments in investment management firms.***

The continued success of Tunbridge's investment program will depend upon its ability to find suitable investment management firms in which to invest and its ability to negotiate agreements with such firms on acceptable terms. HW Capital Advisors cannot be certain that Tunbridge will be successful in investing in such firms or that they will have favorable operating results following Tunbridge's investment, which could have an adverse effect on Tunbridge and HW Capital Advisors' business, financial condition and results of operations.

The Underlying Fund Managers may not maintain their respective levels of performance or contribute to Tunbridge's growth at their historical or anticipated levels. Further, the Underlying Fund Managers may be unable to carry out their management succession plans, which may

adversely affect their operations and revenue streams and thus Tunbridge and HW Capital Advisors' results of operations.

***Poor performance of the investment funds managed by the Underlying Fund Managers could cause a decline in Tunbridge's revenue, income and cash flow, and could obligate Tunbridge to repay carried interest previously paid to it.***

Poor performance of investment funds managed by the Underlying Fund Managers could make it more difficult for such Underlying Fund Managers to raise new capital. Investors in the Underlying Fund Managers' funds might decline to invest in future investment funds sponsored by the Underlying Fund Manager or might withdraw their investments (to the extent allowable) as a result of poor performance of the investment funds in which they are invested. Poor investment fund performance may deter future investment in such Underlying Fund Managers' funds, thereby decreasing the capital invested in such funds and, ultimately, Underlying Fund Managers' management fee revenue may be negatively impacted. In the face of poor fund performance, investors could demand lower fees or fee concessions for existing or future funds, which would likewise decrease Underlying Fund Managers' revenue. Reductions in assets under management and/or investment management fees and carried interest of the Underlying Fund Managers will generally result in reduced revenue to Tunbridge, and could result in Tunbridge and the Underlying Fund Manager having to repay carried interest they previously received.

***Tunbridge's Underlying Fund Managers' autonomy limits Tunbridge's ability to influence their management practices and policies, and Tunbridge may need to contribute additional capital to certain of them.***

Although Tunbridge anticipates that its agreements with Underlying Fund Managers typically will give it certain approval rights, and although Tunbridge and/or HW Capital Advisors will have the ability to offer strategic advice, Tunbridge generally will not be directly involved in managing the Underlying Fund Managers' day to day activities, including investment management policies and procedures, fee levels, marketing and product development, client relationships, employment and compensation programs and compliance activities. As a consequence, Tunbridge and HW Capital Advisors' financial condition and results of operations may be adversely affected by problems stemming from the day to day operations of Tunbridge's Underlying Fund Managers, where weaknesses or failures in internal processes or systems could lead to a disruption of Tunbridge's Underlying Fund Managers' operations, liability to their investors, exposure to disciplinary action or reputational harm.

Additionally, to the extent that any of Tunbridge's Underlying Fund Managers incur liabilities or expenses that exceed their ability to pay for them, Tunbridge may find itself in a position whereby it may be prudent for it to contribute additional capital to an Underlying Fund Manager in order to protect its investment in such Underlying Fund Manager. Similarly, an Underlying Fund Manager's payment of distributions to Tunbridge may be subject to claims by potential creditors, and an Underlying Fund Manager may default on distributions that are payable to Tunbridge. In addition, with respect to certain of Tunbridge's Underlying Fund Managers, Tunbridge may be held liable in certain circumstances as a control person for the acts of the

Underlying Fund Manager or its employees.

## **II. Risk factors relating to Tunbridge's Underlying Fund Managers' investment strategy**

The investment funds managed by the Underlying Fund Managers will largely have investment strategies related to real estate and other real assets-related businesses and assets. There is no assurance that the investments of such funds will be profitable or that cash from operations will be available for the investment funds to make distributions to such Underlying Fund Managers. Tunbridge and HW Capital Advisors will therefore be subject to the risks incident to the ownership and operation of real estate and real assets as a result of the real property owned and operated by its Underlying Fund Managers' managed investment funds.

***The investment funds managed by the Underlying Fund Managers are subject to the risks inherent in the ownership and operation of real estate and real assets.***

Because real estate, like many other types of long term investments, historically has experienced significant fluctuation and cycles in value, specific market conditions may result in occasional or permanent reductions in the value of the investments owned by the Underlying Fund Managers' managed investment funds. The marketability and value of the real property interests will depend on many factors beyond the control of HW Capital Advisors, Tunbridge, its Underlying Fund Managers and their managed investment funds, including, without limitation: (i) changes in international, national, regional and local economic and market conditions; (ii) changes in the supply of, or demand for, particular types of properties in an area; (iii) fluctuations in the occupancy rates and rents for properties; (iv) changes in interest rates or financial markets; (v) changes in or promulgation and enforcement of governmental regulations relating to land use and zoning, environmental protection and occupational safety; (vi) unavailability of mortgage financing which may render the sale of property difficult; (vii) the financial condition of tenants, buyers and sellers of properties; (viii) changes in real estate tax rates and other operating expenses; (ix) existence of uninsured or uninsurable risks; (x) construction cost overruns in connection with development or redevelopment projects; and (xi) natural disasters, acts of war or terrorism. Since investments in real estate generally are illiquid, there can be no assurance that there will be a ready market when any Underlying Fund Manager's managed investment fund determines to sell any of its properties, including by a closed-end fund at the end of its finite life.

An individual Underlying Fund Manager may focus on a particular asset class (e.g., retail, office, residential, industrial, etc.), which may subject such Underlying Fund Manager's managed investment funds, and thus such Underlying Fund Manager, to greater risk and volatility than if investments were more broadly diversified across asset classes. Similarly, an individual Underlying Fund Manager may focus on a particular country or geographic region, which may subject such Underlying Fund Manager's managed investment funds, and thus such Underlying Fund Manager, to greater risk and volatility than if investments had been made across a broader range of geographic regions.

***The Underlying Fund Managers may make investments in foreign markets, which involve additional risks.***



The Underlying Fund Managers may operate in foreign markets, and their managed investment funds may make investments in non-U.S. real estate and assets, in both developed and emerging markets. Investments in such foreign markets involve risks different from those in the United States, including economic, social, political, currency, as well as taxation risks, including potential exchange control regulations and restriction on foreign investment and repatriation of capital. Underlying Fund Managers may operate in, or manage funds that make investments in, countries that are in emerging markets, which involve a broader range of economic, foreign currency, exchange rate, political, legal and financial risks. Many governments in emerging market countries have exercised and continue to exercise substantial influence over many aspects of the private sector. Other relevant risks may include nationalization, expropriation, confiscatory taxation, negative diplomatic developments and political or social instability. In addition, the laws of some emerging markets governing business organizations, bankruptcy and insolvency may make legal action difficult and unpredictable, and provide little, if any, legal protection for investors.

### **III. Risk factors relating to HW Capital Advisors' lack of operating history**

As a newly-formed registered investment adviser, the success of HW Capital Advisors will depend upon the skills and experience of HW Capital Advisors in identifying and managing investments for its clients. No assurances can be given that clients of HW Capital Advisors will be profitable, that investments will be made or that any particular return will be achieved.

### **IV. Risk factors relating to the illiquidity of Tunbridge's investments in Underlying Fund Managers**

Tunbridge's investments in Underlying Fund Managers will require a long term commitment with no certainty of return. Tunbridge's interests in the Underlying Fund Managers will not be readily marketable and a substantial portion of the investments held by such Underlying Fund Managers' managed investment funds will be illiquid as a result of real property owned, the absence of an established market as well as legal or contractual restrictions on transfer. There can be no assurance that the Underlying Fund Managers will be able to realize their investments at attractive prices or otherwise be able to effect successful realizations or exit strategies. There can also be no assurance that Tunbridge will achieve its investment objectives. Tunbridge will be subject to the risks inherent in real estate investing. The performance of the real estate portfolios managed by the Underlying Fund Managers, and therefore the value of the Underlying Fund Managers' investments, will be subject to many factors over which HW Capital Advisors, Tunbridge and its Underlying Fund Managers may have limited or no control. The possibility of partial or total loss of Tunbridge's capital will exist.

### **V. Risk factors relating to potential conflicts.**

HW Capital Advisors, its affiliates and the Underlying Fund Managers have various business lines, and HW Capital Advisors will be subject to a number of actual and potential conflicts of interest to which HW Capital Advisors would not otherwise be subject if HW Capital Advisors had just one line of business. In addressing these conflicts across HW Capital Advisors' various

businesses, HW Capital Advisors has implemented certain policies and procedures (for example, information walls) that may reduce the positive synergies that HW Capital Advisors cultivates across these businesses. Please refer to Item 10 for further discussion of such conflicts. To the extent HW Capital Advisors fails to appropriately deal with any such conflicts, it could negatively impact HW Capital Advisors' reputation and business, and/or result in potential litigation against HW Capital Advisors' businesses.

#### **ITEM 9 - DISCIPLINARY INFORMATION**

Rule 206(4)-4 of the Advisers Act requires investment advisors to provide clients with disclosures as to any legal or disciplinary activities deemed material to the client's evaluation of the advisor. Please note, neither HW Capital Advisors nor its personnel have any disciplinary, regulatory, criminal, civil, or otherwise reportable history to disclose at this time.

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

HW Capital Advisors has an affiliate, Hodes Weill Securities, LLC (HW BD) (CRD no. 131848), which is a broker-dealer registered with FINRA and the SEC. HW BD may offer securities and instruments issued by certain private investment funds managed by the Underlying Fund Managers in which Tunbridge has acquired an ownership interest.

Fees, commissions and other compensation to be paid to HW BD are generally believed by HW Capital Advisors and its affiliates to be reasonable, and such compensation will in each case be negotiated at arm's length although they may not be the lowest commissions or other compensation that would be charged by an unaffiliated third party. The relationship HW Capital Advisors has with HW BD may give rise to a conflict of interest between HW Capital Advisors and Tunbridge or other future clients regarding any Underlying Fund Manager with respect to which HW BD provides services. In particular, HW Capital Advisors and/or related persons of HW Capital Advisors may have an incentive to seek to influence the decision of an Underlying Fund Manager to retain HW BD, or to otherwise transact with HW BD, instead of other unaffiliated broker-dealers or other service providers or counterparties that may be more appropriate or offer better terms.

HW BD may act as placement agent in respect of private investment funds that are sponsored and managed by third-party investment managers, including funds that may compete with HW Capital Advisors' clients, Underlying Fund Managers or future clients. In providing such services to, or with respect to, a competitor fund or company, HW BD is not required to take into consideration the interests of HW Capital Advisors' clients, any Underlying Fund Manager or any future client.

For a description of material conflicts of interest created by HW Capital Advisors' relationship with HW BD, please see Item 11 below.

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

### ***Code of Ethics***

As required by Rule 204A-1 of the Advisers Act, HW Capital Advisors has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the HW Capital Advisors. The Code of Ethics describes HW Capital Advisors' fiduciary duties and obligations to clients, and sets forth HW Capital Advisors' practice of supervising the personal securities transactions of employees who maintain access to client information.

HW Capital Advisors collects and maintains records of securities holdings and transactions made by employees. HW Capital Advisors reviews the personal trading practices of its employees to identify and resolve any potential or realized conflicts of interest.

HW Capital Advisors' Personnel and their families and households may purchase investments for their own accounts, provided however, that any access person is required to pre-clear limited offerings and initial public offerings as required by the Advisers Act. Additionally, all access persons are required to pre-clear all investments in real estate securities, including any investment in an Underlying Fund Manager or any investment fund they manage.

HW Capital Advisors will provide a copy of its Code of Ethics to Tunbridge and any prospective client upon request.

### ***Conflicts of Interest***

As discussed further below, HW Capital Advisors and its affiliates and HW Capital Advisors Personnel may engage in a broad range of activities, including engaging in investment activities for their own account and for the account of other investment funds or accounts, and providing investment advisory and other services to funds and operating companies.

In the ordinary course of conducting its activities, the interests of Tunbridge or an Underlying Fund Manager or a future client may conflict with the interests of HW Capital Advisors or its affiliates, one or more other Underlying Fund Managers or their respective affiliates or future clients. Certain of these conflicts of interest, as well as a description of how HW Capital Advisors intends to address such conflicts of interest, are described below.

### **Resolution of Conflicts**

HW Capital Advisors will deal with all conflicts of interest using its best judgment, but in its sole discretion. In resolving conflicts, HW Capital Advisors may consider various factors, including the interests of its clients, Underlying Fund Managers and future clients in the context of both the immediate issue at hand and the longer term course of dealing among its clients, Underlying Fund Managers and future clients. In the case of all conflicts involving an Underlying Fund Manager, HW Capital Advisors' determination as to which factors are relevant, and the resolution of such conflicts, will be made in HW Capital Advisors' sole discretion. In the case of all conflicts between the interests of HW Capital Advisors and Tunbridge, HW Capital Advisors will rely upon the

determinations made by the members of Tunbridge's board of managers who are not affiliated with HW Capital Advisors to evaluate and resolve the conflict.

The following factors may alleviate, but will not eliminate, conflicts of interest:

- Many important conflicts of interest may be resolved pursuant to set procedures, restrictions or other provisions contained in the relevant governing documents for Tunbridge and the private investment funds managed by Underlying Fund Managers;
- With respect to Tunbridge, those members of Tunbridge's board of managers, who are not affiliated with HW Capital Advisors, play an important role in resolving conflicts of interest by approving or disapproving decisions that involve certain conflicts of interest referred to it or created by HW Capital Advisors in accordance with the relevant governing documents of Tunbridge;
- HW BD may receive confidential information regarding Underlying Fund Managers or other competitive investment fund managers which HW Capital Advisors may be unable to use or share in connection with providing investment advice to Tunbridge or any future clients.

#### Potential Conflicts of Interest

The material conflicts of interest that may be encountered by Tunbridge, Underlying Fund Managers or future clients include those discussed below, although the discussion below does not necessarily describe all of the conflicts that may potentially be faced by Tunbridge, an Underlying Fund Manager or a future client. Other conflicts may be disclosed throughout this brochure and the brochure should be read in its entirety for other conflicts.

#### *Participation of HW BD in Underlying Fund Manager Transactions*

HW BD may act as the placement agent for an Underlying Fund Manager. HW BD and other affiliates of HW Capital Advisors will receive fees, commissions and other compensation in respect of the foregoing activities, and HW BD, or other affiliates of HW Capital Advisors may, in connection with such activities, from time to time hold positions in instruments or securities issued by investment funds managed by Underlying Fund Managers.

As discussed in Item 10, transactions involving clients or Underlying Fund Managers and HW BD are generally reviewed by HW Capital Advisors with regard to the appropriateness of the transaction and HW Capital Advisors' fiduciary obligations. Additionally, management of each of the Underlying Fund Managers will be required to approve any engagement of HW BD and other affiliates of HW Capital Advisors.

#### *Financial Interest in HW Capital Advisors' Underlying Fund Manager Transactions*

As described above in response to Item 10, HW BD and its affiliates may receive financial advisory and monitoring and transaction fees and other compensation for services provided to Underlying Fund Managers.

As noted in response to Item 10, certain of HW Capital Advisors Personnel serve on the board of managers of Tunbridge, and may serve on the boards of Underlying Fund Managers. Serving in such capacity may give rise to conflicts to the extent that an employee's fiduciary duties to Tunbridge and/or an Underlying Fund Manager, as applicable, as a member of its board of managers may conflict with the interests of HW Capital Advisors and/or its clients. To mediate this ongoing conflict, Tunbridge's board of managers will include members who are not affiliated with HW Capital Advisors or its affiliates, who will be responsible for making decisions on issues where the interests of HW Capital Advisors may be implicated and in conflict with those of Tunbridge. In addition, employees of HW Capital Advisors who serve on the boards of Underlying Fund Managers will follow HW Capital Advisors' proxy voting policies and procedures described in Item 17 below in making decisions on issues where the interests of Tunbridge and/or HW Capital Advisors may be implicated and in conflict with those of the applicable Underlying Fund Manager.

#### *Allocation of Investment Opportunities, Fees, and Expenses*

HW Capital Advisors and its affiliated entities may engage in a broad range of activities, including investment activities for their own account and for the account of various investment funds and the provision of investment advisory and other services to funds and operating companies. In connection with potential future clients of HW Capital Advisors, HW Capital Advisors may encounter situations in which it must determine how to allocate investment opportunities among Tunbridge and such other future clients of HW Capital Advisors. To the extent that HW Capital Advisors may service future clients, as discussed in Item 7, HW Capital Advisors will adopt policies and procedures to ensure fair and equitable allocation of investment opportunities among its clients, which will include, among other factors, the particular investment objectives and strategies of each client.

#### *Conflicts Relating to HW Capital Advisors and Certain Related Persons*

HW Capital Advisors generally may, in its sole discretion, contract with any related person of HW Capital Advisors to perform services (including but not limited to brokerage services) for HW Capital Advisors in connection with its provision of services to its clients, Underlying Fund Managers or future clients. When engaging a related person to provide such services, HW Capital Advisors may have a financial, personal or other business incentive to recommend the related person even if another person may be more qualified to provide the applicable services and/or can provide such services at a lesser cost.

HW Capital Advisors generally may, in its discretion, recommend to its clients or an Underlying Fund Manager that it contract for services or, in providing services to a client, an Underlying Fund Manager or future clients, may directly engage with (i) a related person of HW Capital Advisors or (ii) an entity or person with which or whom HW Capital Advisors or HW Capital Advisors Personnel has a relationship or from which or whom HW Capital Advisors or HW Capital Advisors Personnel otherwise derives financial, personal or other benefit. When making such a recommendation, HW Capital Advisors or HW Capital Advisors Personnel may, because of their financial, personal or other business interest, have an incentive to recommend the related or other person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

It is generally expected that most or all of the officers and employees responsible for advising Tunbridge, an Underlying Fund Manager or future clients will have responsibilities with respect to other affiliates of HW Capital Advisors, including HW BD, and including funds and accounts that may be raised in the future. Conflicts of interest may arise in allocating time, services or functions of these officers and employees. Certain expenses for HW Capital Advisors' employee compensation and benefits and for overhead of HW Capital Advisors are allocable to Tunbridge pursuant to the HW Agreement.

#### **ITEM 12 - BROKERAGE PRACTICES**

As previously discussed in Item 10, HW Capital Advisors may use its affiliate broker dealer, HW BD, to place interests in private investment funds managed by the Underlying Fund Managers in which Tunbridge or other future HW Capital Advisors' clients have invested.

#### **ITEM 13 - REVIEW OF ACCOUNTS**

##### ***Review of Accounts***

The investment portfolio of Tunbridge, which will consist of investments in real assets-focused private investment fund managers, are generally private, illiquid and long or medium term in nature. Accordingly, HW Capital Advisors' review is not directed towards a short-term decision to dispose of securities. However, HW Capital Advisors Personnel will closely monitor the investments of Tunbridge.

##### ***Reporting***

HW Capital Advisors will report to Tunbridge on a monthly, quarterly and annual basis in accordance with the HW Agreement.

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

As previously discussed in Item 10, HW Capital Advisors may use its affiliate broker dealer, HW BD, to place interests in private investment funds managed by the Underlying Fund Managers in which Tunbridge has invested.

#### **ITEM 15 - CUSTODY**

HW Capital Advisors has custody of Tunbridge's cash under SEC Rule 206(4)-2 due to its role as investment advisor of Tunbridge. Assets of Tunbridge will be held in the name of Tunbridge by an independent qualified custodian, or will be private, un-certificated securities recorded on the books of the issuers in the name of Tunbridge. Quarterly reports will be distributed to Tunbridge investors and Tunbridge will be subject to an annual audit in accordance with U.S. generally accepted accounting principles. The audited financial statements will be provided to Tunbridge's investors.

#### **ITEM 16 - INVESTMENT DISCRETION**

Pursuant to the HW Agreement between Tunbridge and HW Capital Advisors, and subject to the direction and control of the board of managers of Tunbridge, HW Capital Advisors will generally participate in the day to day investment operations of Tunbridge in accordance with the terms and conditions of the HW Agreement, but has no ultimate investment discretion.

#### **ITEM 17 - VOTING CLIENT SECURITIES**

Rule 206(4)-6 under the Advisers Act (Proxy Rule) requires registered investment advisers that exercise voting authority over client securities to implement proxy voting policies. Because HW Capital Advisors may be deemed to have authority to vote proxies relating to its clients and/or its clients investments, HW Capital Advisors has adopted a set of policies and procedures (Proxy Policy) in compliance with the Proxy Rule. To the extent that HW Capital Advisors exercises or is deemed to be exercising voting authority over its clients' securities or the securities of its clients' investments, the Policy is designed and implemented in a manner reasonably expected to ensure that voting with respect to proxy proposals, amendments, consents or resolutions (collectively, proxies) is exercised in a manner that serves the best interest of clients, as determined by HW Capital Advisors in its sole discretion. From time to time, conflicts may arise between the interests of a client, its investments and/or HW Capital Advisors or its affiliates. If HW Capital Advisors determines that it has, or may be perceived to have, a conflict of interest when voting a proxy, HW Capital Advisors will address matters involving such conflicts of interest on a case-by-case basis in a fair and equitable manner, subject to legal, regulatory, contractual or other applicable considerations (see Item 11 above). HW Capital Advisors, in its sole discretion, may elect not to vote a proxy if unduly burdensome. Clients may request a copy of the Policy and the voting records relating to proxies as provided by the Rule by contacting Douglas Weill at [doug.weill@hodesweill.com](mailto:doug.weill@hodesweill.com)

#### **ITEM 18 - FINANCIAL INFORMATION**

Not applicable.