

Velt Partners Investimentos Ltda.

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This brochure provides information about the qualifications and business practices of Velt Partners Investimentos Ltda. If you have any questions about the contents of this brochure, please contact us at +55 (11) 4560-6800 or via email at mk@veltp.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.

Registration of an investment adviser does not imply any level of skill or training.

Additional information about Velt Partners Investimentos Ltda. is also available on the SEC’s website at www.adviserinfo.sec.gov.

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ITEM 2 – MATERIAL CHANGES

Effective July 1, 2018, M Square Brasil Investimentos Ltda. has changed its name to Velt Partners Investimentos Ltda. ("Velt Partners"). Likewise, M Square Brazil Value Long Only Fund II LLC has changed its name to Velt Partners Fund LLC (the "Fund"), in addition to implementing changes in fee and liquidity terms.

TABLE OF CONTENTS

ITEM 2 – MATERIAL CHANGES	2
ITEM 4 – ADVISORY BUSINESS	4
ITEM 5 – FEES AND COMPENSATION	4
ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT	5
ITEM 7 – TYPES OF INVESTORS	6
ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS	6
ITEM 9 – DISCIPLINARY INFORMATION	8
ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	8
ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN INVESTORS TRANSACTIONS AND PERSONAL TRADING	9
ITEM 12 – BROKERAGE PRACTICES	10
ITEM 13 – REVIEW OF ACCOUNTS.....	12
ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION	13
ITEM 15 – CUSTODY.....	13
ITEM 16 – INVESTMENT DISCRETION.....	14
ITEM 17 – VOTING CLIENT SECURITIES.....	14
ITEM 18 – FINANCIAL INFORMATION.....	15

ITEM 4 – ADVISORY BUSINESS

Velt Partners is a Brazilian limited liability company duly authorized by the SEC and the Securities and Exchange Commission of Brazil (the “CVM”) to provide investment manager and advisory services to investors in the United States and Brazil.

Based on its experience with Brazilian equity investments, Velt Partners provides investment advisory services to the Fund and a managed account (the “Managed Account”) and also manages Brazilian based funds, for Brazilian investors, regulated by the CVM (the “CVM Funds” and together with the Fund and the Managed Account, the “Investment Vehicles”).

Velt Partners manages the Fund in accordance to the investment objectives, risk tolerance and guidelines set forth in the Fund’s private placement memorandum, and does not tailor its services to the individual investors in the Fund. The Managed Account is managed in accordance with the risk profile of the investor and the agreed upon objectives as established by its Investment Management Agreement (“IMA”).

Effective July 1, 2018, investors of the Fund who elected to participate in side pockets and the Managed Account will have the ability to invest in the illiquid strategy. Such investments will primarily be securities of private Brazilian companies (or their foreign holding companies, as the case may be) in late stage or mature pre-IPO stage.

As of December 31, 2017, Velt Partners had firm wide regulatory assets under management of U.S.\$1,476,969,001.

ITEM 5 – FEES AND COMPENSATION

Velt Partners Management Fees

The specific manner in which Velt Partners charges fees is set out in each investor’s written agreement with Velt Partners, such as the Fund’s private placement memorandum and the Managed Account IMA.

Velt Partners generally receives a management fee equal to an amount between 1.0% and 1.25% per annum of the net asset value of each investor’s contribution in the Fund. The management fee is calculated after deduction of other fees and expenses and charged in accordance with the Fund’s private placement memorandum. The Managed Account may elect to be directly billed for the management fees or to authorize Velt Partners to directly debit such management fee from its account, as it does for the Fund.

To the extent the management fee calculation period is longer than the applicable subscription and redemption periods, management fees shall be prorated for each capital contribution and withdrawal made during the applicable fee calculation period (with the exception of *de minimis* contributions and withdrawals). Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable for both the Fund and the Managed Account.

In certain specific situations, Velt Partners management fees may vary from the fees described above. An investor may pay more or less fees than other investors or clients, depending on certain characteristics and/or terms applicable to the investor's contribution in the Fund, such as size of investment and liquidity terms.

Other Fees and Expenses

In addition to the management fees and performance-based fees (as described below), investors in the Fund will indirectly bear certain other costs charged to the Fund. Such costs will vary and typically include, though are not limited to, accounting, legal, fund administration fees, compliance expenses and other related costs.

Furthermore, Velt Partners fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses that shall be incurred by investors, including the impact of mark-ups and markdowns. Investors may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Such charges, fees and commissions are exclusive of and charged before Velt Partners' fees, and Velt Partners shall not receive any portion of these commissions, fees and costs.

For additional information regarding the selection, recommendation and compensation of broker-dealers, please refer to Item 12 below.

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

In addition to management fees, Velt Partners will receive a performance fee from the Fund and the Managed Account. In general, Velt Partners will be entitled to a performance fee in respect of each Fund investor's capital account equal to an amount between fifteen percent (15%) and seventeen point five percent (17.5%) of the net profits (including unrealized gains), if any, charged to such investor's capital account with respect to each performance period for which the performance fee is calculated; but only to the extent that such profits exceed any loss carry forward from prior performance periods and any performance hurdles, when relevant.

Performance fee for the Managed Account will also generally equal an amount equivalent to fifteen percent (15%) of the net profits (including unrealized gains), if any, but only to the extent that such profits exceed any loss carry forward from prior performance periods and any performance hurdles, when relevant. The Managed Account may elect to be directly billed for performance fee or to authorize Velt Partners to directly debit performance fee from its account.

Performance-based fee arrangements may create an incentive for Velt Partners to recommend investments that may be riskier or more speculative than those that would be recommended under a different fee arrangement. Such fee arrangements may also create an incentive to favor higher fee-paying accounts over other accounts in the allocation of investment opportunities. In such cases, the procedures have been designed and implemented to ensure that all Investment Vehicles are treated fairly and equally, and prevent this conflict from influencing the allocation of investment opportunities among investors.

ITEM 7 – TYPES OF INVESTORS

Velt Partners provides investment management services to private investment funds and to one managed account for a specific institutional investor, on top of the Brazilian investors of the CVM Funds. Such investors can be classified as qualified and/or professional investors for the purpose of applicable laws.

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

General Investment Strategies and Methods of Analysis

Velt Partners seeks to identify securities of listed companies that are traded at prices substantially below their intrinsic value (value-oriented strategy). Velt Partners' investment strategy consists of deep fundamental analysis, with a significant focus on high quality companies (businesses and people) and a truly long-term investment horizon. Velt Partners' equity research process uses the following criteria to select companies for the Investment Vehicles' portfolios: (1) businesses it understands and for which it is able to develop an opinion about their long term prospects; (2) businesses with above average economics (*e.g.*, sustainable competitive advantages, high return on invested capital, etc.); (3) good and proven management teams; (4) management teams and controlling shareholders who are aligned with long term shareholder value creation for all shareholders; (5) trading at prices that offer a significant margin of safety. It is anticipated that a significant part of a portfolio under this strategy will be comprised of Brazilian listed company's securities. This is a long-term type of investment that showcases Velt Partners' focus on performance over a number of years as opposed to short term volatility. Velt Partners may also implement short term purchases and sales, if and when contemplated under a specific mandate.

Material Risks for Significant Investment Strategies

While it is the intention of Velt Partners to implement strategies intended to minimize potential losses, there can be no assurance that such strategies will be successful. Investing in securities involve a risk of loss that investors must be prepared to bear. There is no guarantee that in any time period an investor's portfolio will achieve appreciation in terms of capital growth or that an investor's investment objective will be met.

The following is a description of the material risks underlying the investment strategies adopted by Velt Partners, but it does not purport to be a complete explanation of the risks involved in such strategies. **The particular risks associated with an investment in the Fund are further detailed in the Fund's offering documents.**

Portfolio investments may be volatile

The value of the securities in which Velt Partners, on behalf of its investors, will choose to invest may be volatile. There can be no assurance that portfolio companies will ultimately be successful. Furthermore, investors will be subject to economical risks such as inflation, recession, changes in the general level of interest rates or other market conditions, over which Velt Partners and investors

have no control, and which may have adverse effects in the operating results of the portfolio companies and consequently, the overall portfolio.

Liquidity of investment portfolio

Although Velt Partners' strategy will be primarily focused on publicly listed securities and liquid markets, there might be occasions where Velt Partners may decide to invest in securities which may be relatively illiquid. Liquidity relates to the ability of investors to sell an investment in a timely manner. The market for relatively illiquid securities tends to be more volatile than the market for more liquid securities. Investment of an investor's assets in relatively illiquid securities may restrict the ability of Velt Partners to dispose of such investor's investments at a price and time that he would expect Velt Partners to do so.

Foreign currency markets

Velt Partners' investment strategy may cause exposure to fluctuations in currency exchange rates, in particular to the Brazilian Real, in which Velt Partners strategy will be most focused. Velt Partners, on behalf of the investor, may, in part, seek to offset the risks associated with such exposure through foreign exchange transactions. Foreign exchange trading risks include, but are not limited to, exchange rate risk, interest rate risk and potential interference by foreign governments through regulation of local exchange markets, foreign investment, or particular transactions in foreign currency.

Derivatives

The Fund and the Managed Account do not utilize short sales, borrowing or other leverage as part of their investment strategy. The use of derivatives, if any, will be limited to long option positions and currency instruments. The use of currency derivatives will be for currency exposure management purposes only. Certain positions may be subject to wide and sudden fluctuations in market value, with a resulting fluctuation in the amount of profits and losses. There is no policy within the Fund's and Managed Account' investment strategy to protect against currency fluctuations.

Economic and political risks and other global investment risks

The economies of individual countries, in which Velt Partners may invest, could differ favorably or unfavorably from the economies of more developed countries in aspects such as growth of gross domestic product, rate of inflation, currency depreciation, capital reinvestment, resource self-sufficiency and balance of payments position.

With respect to any emerging country (particularly Brazil), there is the possibility of nationalization, expropriation or confiscatory taxation, political changes, government regulation, social instability or diplomatic developments (including war) which could affect adversely the economies of such countries or the value of an investor's investments in such countries. In addition, it may be difficult to obtain and enforce a judgment in a court in an emerging country.

Other global investing risks include (i) the possible imposition of withholding taxes on income received from the issuer of, or gains with respect to, such securities, (ii) differences between markets,

including potential price volatility in and relative illiquidity of some securities markets, (iii) the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements, and less governmental supervision and regulation and (iv) certain economic and political risks, including potential exchange control regulations and potential restrictions on investment and repatriation of capital.

Hedging transactions may increase risks of capital losses

Velt Partners may utilize a variety of financial instruments, such as options, for risk management purposes. While Velt Partners may enter into hedging transactions to seek to reduce risk, such transactions may result in a worse overall performance for an investor's portfolio than if it had not engaged in any such hedging transactions. Moreover, the portfolio is always exposed to certain risks that cannot be hedged, such as credit risk, relating both to particular securities and counterparties.

Securities lending

Velt Partners may enter into securities lending transactions on behalf of its investors. The principal risk when lending securities is that the borrower might become insolvent or refuse to honor its obligations to return the securities. In this event, Velt Partners, on behalf of an investor, could experience delays in recovering its securities and such investor's portfolio may possibly incur a capital loss and decline in value.

It is worth mentioning that in Brazil, the Brazilian Clearing and Depository Corporation ("CBLC") – the Local Exchange's clearing house – has a segregated account structure that identifies the final beneficial owner or borrower. The beneficial owners are represented at CBLC by the custodians, CBLC's direct participants. The latter bear full responsibility for the holding and movement of securities held in the beneficial owners' accounts, according to the CVM rules. The account segregation protects the final investor because it permits the tracking of property rights in the event of a custodian's insolvency or bankruptcy. Furthermore, it allows CBLC to directly inform the final investors of their holdings in the depository service.

ITEM 9 – DISCIPLINARY INFORMATION

Velt Partners has not been subject to any disciplinary action, whether criminal, civil or administrative (including regulatory) in any jurisdiction. Likewise, no persons involved in the management of Velt Partners have been subject to such actions.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Neither Velt Partners nor any of its employees have any relationships or arrangements that have material conflicts of interest to the business of Velt Partners.

Commodity Pool Operator, Commodity Trading Adviser, Futures Commission Merchant Registration

Velt Partners is not registered with the CFTC as a Commodity Pool Operator pursuant to the exemption in CFTC Rule 4.13(a)(3) and is not registered as a Commodity Trading Advisor pursuant to the exemption in CFTC Rule 4.14(a)(10).

ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN INVESTORS TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

Velt Partners adopts a code of ethics (the “Code of Ethics”) that generally sets forth the standards of conduct expected of all shareholders, officers and employees of Velt Partners or any other person who is a member of the investment team of the Firm and is subject to the supervision and control of the Firm (“Personnel”). The Code of Ethics covers a range of topics including gifts and entertainment policy, anti-bribery policy, policy on the purchase and sale of securities, reporting securities holdings and trading obligations, insider trading policy, information security, and confidentiality, amongst others.

Specifically, the Code of Ethics requires that Personnel abstain from committing any act that might give rise to conflict between their personal interests and those of Velt Partners when dealing with suppliers, investors, service providers and any natural person or legal entity doing business or who may do business with Velt Partners.

Situations that may occasionally cause conflict between the interests of Personnel and those of Velt Partners, in addition to dubious and unacceptable conduct, shall be carefully analyzed and dealt with. In this case, Velt Partners requires that Personnel consult with the Chief Compliance Officer or one of the Compliance Committee members directly.

A copy of the Velt Partners Code of Ethics is available upon request.

Participation or Interest in Investor Transactions and Associated Conflicts of Interest; Investments in Securities by Adviser and its Personnel

Personnel of Velt Partners and its related persons and affiliates may be investors in Velt Partners’ Investment Vehicles. As such, it is possible that Velt Partners could cause an Investment Vehicle to buy or sell securities in which Velt Partners or one of its related persons has a financial interest. For example, Velt Partners could recommend that an investor invest in a particular Investment Vehicle for which Velt Partners or an affiliate serves as investment manager, general partner, managing member or manager. Velt Partners could also recommend that the Fund invest in a portfolio company in which another Investment Vehicle previously has invested.

A conflict of interests may also exist if an employee has a competing interest with the Investment Vehicles. Such a conflict may arise, for example, in connection with personal investment activities by an employee that compete with, or can affect, Investment Vehicle investment activity.

As a general rule, Personnel are only permitted to hold investment positions in (i) shares issued by funds for which there is a fund with an equivalent strategy offered by Velt Partners, (ii) shares of

public companies or offered in an IPO, (iii) derivatives backed by a share of a public company, if the holding of such investments preexisted their commencement of employment with Velt Partners and provided that he/she has reported such investment in his/her initial holdings report.

Investments in (i) any security of a public company other than the ones listed in (ii) and (iii) above, and (ii) securities offered in private placements, private investment partnerships, real estate syndications, and shares issued by companies prior to a public distribution are only permitted to the extent previously approved by the Chief Compliance Officer of Velt Partners.

ITEM 12 – BROKERAGE PRACTICES

Broker-Dealer Selection

Velt Partners has full discretion to select brokers or dealers, as well as the commission rates at which the transactions for investors are affected. It is Velt Partners' policy to seek best execution at the best price available with respect to each transaction, in light of the overall quality of services provided to it or its investors. In selecting broker-dealers, and in negotiating commissions, Velt Partners will consider a variety of factors, including best price and execution, the full range of brokerage services provided by the broker, as well as its capital strength and stability, and the quality of the services provided.

In determining the abilities of a broker or dealer to obtain best execution for portfolio transactions, Velt Partners will consider all relevant factors, including the execution capabilities required by the transactions; the ability and willingness of the broker or dealer to facilitate the portfolio transactions by participating therein for its own account; speed, efficiency and confidentiality; the broker's or dealer's apparent familiarity with sources from or to whom particular securities might be purchased or sold; the reputation and perceived soundness of the broker or dealer; as well as other matters relevant to the selection of a broker or dealer for portfolio transactions for any account. Velt Partners will not adhere to any rigid formula in making the selection of the applicable broker or dealer for portfolio transactions, but will consider a combination of the preceding factors.

Velt Partners has no duty or obligation to seek in advance competitive bidding for the most favorable commission rate applicable to any particular portfolio transaction or to select any broker on the basis of its purported or "posted" commission rate. Velt Partners will endeavor to be aware of the current level of the charges of eligible brokers and to minimize the expense incurred for effecting portfolio transactions to the extent consistent with the interests and policies of the Investment Vehicles. Although Velt Partners will generally seek competitive commission rates, it will not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker or dealer involved and thereby entail higher commissions, or their equivalents, than would be the case with other transactions requiring more routine services.

Velt Partners' Chief Compliance Officer will maintain an "Approved Broker List" based upon criteria established by Velt Partners. Traders will place orders solely with brokers appearing on the Approved Broker List, unless the trader receives advance written authorization from the Chief Compliance Officer to use another broker. The Chief Compliance Officer will update the Approved Broker List as new relationships are established or existing relationships are terminated or modified.

Research and Other Soft Dollar Benefits

Velt Partners does not currently have any formal soft dollar agreements. Consistent with obtaining best execution, Velt Partners may direct brokerage commissions on investor portfolio transactions to brokers in recognition of research or brokerage services received from them in connection with the execution of orders. It is Velt Partners' policy that any access to proprietary and/or third party research or brokerage products or services as a result of commissions paid or "soft" dollars (including dealer markups or markdowns arising in connection with certain types of riskless principal transactions) will fall within the safe harbor for soft dollars created by Section 28(e) of the Exchange Act.

The research or brokerage products and services likely to be provided to Velt Partners by broker-dealers generally will include information on the economy, industries, groups of securities, individual companies, statistical information, accounting and tax law interpretations, political developments, legal developments affecting portfolio securities, technical market action, pricing and appraisal services, credit analysis, risk measurement analysis, performance analysis, analysis of corporate responsibility issues, and communication services related to executing, clearing and settlement of transactions. Such research services will be received primarily in the form of written reports, telephone contacts, and personal meetings with security analysts. In addition, such research services may be provided in the form of access to various computer-generated data, computer software, and meetings arranged with corporate and industry spokespersons, economists, academics, and government representatives.

As a general matter, research and brokerage services are used to service all of Velt Partners' Investment Vehicles. The commission rates (or dealer markups and markdowns arising in connection with riskless principal transactions) charged to the Fund by brokers may be higher than those charged by other brokers who may not offer such proprietary or third-party services, capabilities or characteristics as described above. This may be done where Velt Partners has determined in good faith that such commission is reasonable in relation to the value of brokerage and research services received. In reaching such a determination, Velt Partners would not be required to place or attempt to place a specific dollar value on the brokerage or research services provided by such broker. However, as noted above, Velt Partners will confirm that, when allocating trades to its Investment Vehicles, each Investment Vehicle is treated fairly and equitably over time in the execution of transactions.

Brokerage for Investor Referrals

Velt Partners generally does not consider, in selecting broker-dealers, whether it or a related person receives investor referrals from a broker-dealer or third party. We note that Velt Partners has full discretionary powers over its managed products and accounts, including the selection of broker-dealers for its investors (*i.e.*, Velt Partners will not merely "recommend" broker-dealers for its investors).

Velt Partners may, from time to time, participate in certain "capital introduction" programs organized or sponsored by certain prime or executing brokers to the Fund or affiliates of such prime or executing brokers, which programs may include the prime or executing brokers or their affiliates

introducing Velt Partners to potential investors with which the prime or executing broker or its affiliate have a pre-existing relationship. Currently, neither Velt Partners nor the Fund compensate prime or executing brokers or their affiliates for organizing such programs or making such introductions or for any investments ultimately made by such prospective investors (although either may do so in the future). While such programs and introductions provided by a prime or executing broker or their affiliates may provide an incentive or influence Velt Partners in deciding whether to use such prime or executing broker in connection with brokerage, financing, trade execution and other activities of the Fund, Velt Partners will not commit to allocate a particular amount of brokerage to a prime or executing broker in any such situation.

Aggregation of Trades

Velt Partners has the fiduciary duty to execute orders for its Investment Vehicles fairly and equitably. Velt Partners follows written procedures pursuant to which it may, for Investment Vehicles who permit it, and to the extent consistent with best execution, combine purchase or sale orders for the same security for multiple Investment Vehicles (sometimes called “bunching”) so that they can be executed at the same time.

The procedures followed by Velt Partners may differ depending on the particular strategy or type of investment. Velt Partners is not required to bunch or aggregate orders if: (1) portfolio management decisions for different accounts are made separately; or (2) Velt Partners determines that bunching or aggregating is not practicable. Velt Partners may be able to negotiate a better price and lower commission rate on aggregated trades than on trades for accounts that are not aggregated. Where transactions for an Investment Vehicle’s account are not aggregated with other orders, it may not benefit from the better price and lower commission rate. Because of prevailing trading activity, it may not be possible to receive the same price or execution on the entire volume of securities purchased or sold. When this occurs, the various prices may, in Velt Partners’ discretion, be averaged and accounts will be charged or credited with the average price. The effect of such aggregation may operate on some occasions to an account’s disadvantage.

With respect to securities purchased in an initial public offering or secondary public offering, it is recognized that, due to the limited availability of new issues, often it is not possible to achieve a complete allocation for all new issue-eligible accounts on every trade. Velt Partners’ policies with respect to such cases provides that its portfolio manager and/or trader should confirm that no trade allocation unfairly advantages or disadvantages one or more Investment Vehicles or investment strategies over another, and that over time such Investment Vehicles are all treated fairly.

ITEM 13 – REVIEW OF ACCOUNTS

Review of Accounts

Investment Vehicle portfolios are reviewed on a continuous basis by the portfolio manager and the investment team. These reviews are designed to monitor and analyze the transactions, positions, investment levels and mandates of each account. Particular attention is given to changes in company fundamentals, industry outlook, market outlook, and price levels. Generally, these reviews will be

performed by the investment team on a weekly basis. Extraordinary meetings may occur depending on changes in market conditions and companies' fundamentals.

Velt Partners also performs reviews of its investors accounts as appropriate, based on, among other things, changes in market conditions, security positions or changes in an investors' investment objective or policies.

Velt Partners normally prepares and provides to the Fund investors risk reports on a monthly basis, which report portfolio data and performance. These reports usually include statistical data (such as portfolio concentration, liquidity profile and historical returns). Additionally, Velt Partners will provide to its Fund and Managed Account investors a quarterly commentary on market conditions and portfolio companies' fundamentals.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Compensation for Client Referrals

While Velt Partners does not currently compensate any person for Client referrals, the Fund may have agreements with placement agents for selling their interests. In these agreements, such placement agents may receive a portion of the management fees and performance-based fees or allocations paid to Velt Partners that are attributed to the interests sold by the agents.

Compensation for Investor Relations Consultancy Services

Effective November 1, 2016, the Fund has retained BRE Capital IR Services LLC (the "IR Consultant") to provide investor relations consultancy for the Fund. For the duration of the agreement between the Fund and the IR Consultant for the provision of investor relations consultancy (the "IR Consultancy Agreement"), a portion of the Management Fee and the Performance Fee actually charged to the Fund will be paid by the Fund to the IR Consultant. The IR Consultancy Agreement was originally entered into on November 1, 2016 and automatically renewed on November 1, 2017. It provides for one-year terms, automatically renewable unless otherwise terminated. The Fund may terminate the IR Consultancy Agreement at any time upon 60 days' prior written notice, or hire an additional or replacement investor relations consultant, at its sole discretion, without notice to its members.

ITEM 15 – CUSTODY

Under the "regulation lite" regime, a non-U.S. adviser must comply with the substantive provisions of the Investment Advisers Act of 1940, as amended (the "Advisers Act") only with respect to its U.S. investors. Consequently, the substantive provisions of the Advisers Act, including the rules relating to custody, would apply only with respect to Velt Partners' U.S. Fund investors and the investor of the U.S. Managed Account (together the "U.S. Investors"). The term "U.S. Investor" excludes, without

limitation, investors in any non-U.S. fund managed by Velt Partners and non-U.S. separate managed accounts.

Velt Partners' U.S. Managed Account investor will receive at least quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains the investor investment assets. Additionally, Velt Partners' U.S. Fund investors will receive audited financial statements within 120 days of year-end. Velt Partners recommends that the U.S. Managed Account investor carefully review such statements and compare such official custodial records to the account statements that Velt Partners may provide to them. Velt Partners' statements may vary from custodian statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Velt Partners and the custodians will, however, be subject to applicable laws and regulations in their countries of residence and where they conduct business.

ITEM 16 – INVESTMENT DISCRETION

Velt Partners receives discretionary authority from the investors of the Investment Vehicles at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. This discretionary authority is provided by Velt Partners' investment management agreements with the Investment Vehicles. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular investor's account.

When selecting securities and determining amounts, Velt Partners relies on the investment policies, limitations and restrictions of the investors for which it advises. Investment guidelines and restrictions must be provided to Velt Partners in writing and, with respect to the Fund, are disclosed in the private placement memorandum.

ITEM 17 – VOTING CLIENT SECURITIES

Proxy Voting Policies

Velt Partners complies with Rule 206(4)-6 of the Advisers Act and ANBIMA Proxy Voting Policy Guidelines and acts solely in the best interest of its Investment Vehicles when exercising its proxy voting authority. Velt Partners' policy sets forth information about the procedures adopted by Velt Partners as well as states that investors may obtain information on how Velt Partners has voted their proxies (for purposes of the discussion below, "proxies" are understood to include votes cast).

On behalf of its investors, Velt Partners invests in publicly listed securities. In relation to these investments, Velt Partners has the authority to vote proxies. Proxy voting decisions are the responsibility of the portfolio manager and will be made in accordance with Velt Partners' proxy voting policies and procedures. Velt Partners' general policy regarding proxy voting will be to consult with the portfolio manager and decide each proxy vote on a case-by-case basis.

Velt Partners shall take into account the best interests of its investors, as well as any potential conflicts of interest among its investors and Velt Partners or its affiliates. Velt Partners is responsible

for identifying any potential conflicts of interest that may arise in the proxy voting process. Velt Partners refers any conflicts of interest to the designated principals for resolution.

For Velt Partners' U.S. Investors, Velt Partners follows the proxy voting procedures and policies discussed above. In addition, with respect to such U.S. Investors, Velt Partners will retain (i) written proxy voting policies and procedures; (ii) proxy statements provided by the prime broker/custodian regarding Investment Vehicles securities; (iii) records of votes cast on behalf of investors; (iv) records of investors requests for proxy voting information; and (v) any specific documents Velt Partners prepared that were material to making a decision how to vote, or that memorialized the basis for the decision. Velt Partners's proxy voting policies and procedures is available upon request.

ITEM 18 – FINANCIAL INFORMATION

Velt Partners has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to investors, and has not been the subject of a bankruptcy proceeding.