

Item 1 – Cover Page

Form ADV Part 2 Brochure

January 26, 2018

Canyon Bridge Management (Hong Kong) Limited

100 Middlefield Road
Menlo Park, CA 94025

Telephone: 650-850-8900

*This brochure, dated January 24, 2018 (“**Brochure**”), provides information about the qualifications, investment strategies, and business practices of Canyon Bridge Management (Hong Kong) Limited (“**Canyon Bridge HK**”), an investment adviser registered with the U.S. Securities and Exchange Commission (the “**SEC**”).*

Please note that SEC registration status does not indicate a particular level of skill or training of Canyon Bridge HK or its employees and that neither the SEC nor any state securities authority has approved this Brochure. The information in this brochure has not been approved or verified by the SEC or by any U.S. state securities authority.

If you have any questions about the contents of this Brochure, please contact us at (978) 405-3318 or by e-mail: aswanson@alariccompliance.com. Additional information about Canyon Bridge HK is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

The prior version of this brochure was dated November 30, 2017. This brochure updates ownership information in Item 4, updates information about Canyon Bridge HK's client and its investments in Item 8 and includes additional disciplinary information in Item 9.

Canyon Bridge HK will ensure that you receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our fiscal year. Canyon Bridge HK may also provide other ongoing disclosure information about material changes as necessary and provide you with a new brochure as necessary based on changes or new information, at any time, without charge.

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Item 4 – Advisory Business

Background and Ownership Structure

Canyon Bridge HK was formed in 2016 and has its principal place of business in Beijing, China. Canyon Bridge HK is wholly owned by Canyon Bridge Management Corp. (“**Canyon Bridge Management**”). Canyon Bridge Management is owned by Benjamin Bin Chow, Heber Raymond Bingham, Hong John Kao and Peter Chin Kuo.

Advisory Services

*All descriptions of Canyon Bridge HK client(s) (the “**Canyon Bridge Clients**”) in this brochure, including, but not limited to, their investments, the strategies used in advising Canyon Bridge Clients, the fees and other costs associated with the clients, and conflicts of interest faced by Canyon Bridge HK and any of its affiliates in connection with advice provided to the Canyon Bridge Clients are qualified in their entirety by reference to the Canyon Bridge Clients’ respective confidential offering memoranda, advisory agreements and governing documents, as applicable (collectively, the “**Client Documents**”).*

Canyon Bridge HK was formed to provide non-discretionary advice to Canyon Bridge Management (in connection with its advice to Canyon Bridge Fund I, LP, a private investment fund formed in Delaware (the “**Fund**”). Canyon Bridge HK anticipates that any additional clients will include other pooled investment vehicles that pursue private equity strategies. Canyon Bridge HK does not at this time anticipate performing investment advisory services for other types of clients.

Affiliates of Canyon Bridge HK also provide advisory services to the Fund. Canyon Bridge Management provides non-discretionary advice to the Fund, and is owned by Benjamin Bin Chow, H. Raymond Bingham and Hong John Kao. Canyon Bridge Management Consulting (Beijing) Co., Ltd. (“**Canyon Bridge Beijing**”) (which is wholly owned by Canyon Bridge HK) was formed to provide non-discretionary advice to Canyon Bridge Management (in connection with its advice to the Fund). Canyon Bridge Capital Partners, LLC (“**Canyon Bridge GP**”) was formed to serve as the general partner of the Fund and provide discretionary investment advice to the Fund, and is owned by Benjamin Bin Chow, Heber Raymond Bingham, Hong John Kao and Peter Chin Kuo. Unless otherwise provided, references to “**Canyon Bridge**” in this Brochure will include Canyon Bridge Management, Canyon Bridge GP, Canyon Bridge Beijing and Canyon Bridge HK, collectively.

Canyon Bridge HK provides certain asset management and advisory services to the Canyon Bridge Clients, including investigating, structuring and negotiating potential investments, monitoring investments post-acquisition, and advising the clients with respect to exit opportunities. The Fund focuses on acquiring interests in companies in the technology sector (specifically, companies in the semi-conductor industry).

Canyon Bridge HK’s investment decisions and advice will be subject to each Canyon Bridge Client’s investment objectives and guidelines, as set forth in the relevant Client Documents. Guidelines will likely include the amount of client assets that may be invested in any single

portfolio company, the amount of client assets that may be invested in companies over which the client does not have control and the geographies in which a client may invest, among others.

In addition, subject to the terms of the relevant Client Documents, Canyon Bridge may enter into agreements, such as side letters, with certain investors in Canyon Bridge-advised funds (without the approval of any other investors). Side letters may be granted to incentivize or permit investors to invest with Canyon Bridge, invest certain amounts or invest with Canyon Bridge in the future. Those side letters or other similar agreements may have the effect of establishing rights under, altering or supplementing the terms of the relevant Client Documents with respect to one or more such limited partners in a manner that could be more favorable to such limited partners than those applicable to other limited partners. For example, the side letters or other similar agreements may:

- impose restrictions on a Canyon Bridge Client's investments;
- reduce carried interest incurred by an investor;
- provide additional information or reports to an investor; and/or
- provide more favorable transfer rights.

Canyon Bridge HK does not participate in wrap fee programs.

Regulatory Assets Under Management

As of December 27, 2016, Canyon Bridge HK had \$1,515,151,515.15 in regulatory assets under management (non-discretionary) and \$0 in regulatory assets under management (discretionary).

Item 5 – Fees and Compensation

Advisory Services Compensation

For its services to its clients, Canyon Bridge HK expects to negotiate varied fee structures with its clients and fees will depend on each Canyon Bridge Client's circumstances and needs. The frequency that such fees are charged, and whether such fees are (i) paid in advance or arrears or (ii) deducted from clients' assets or billed to clients depends on the terms of the relevant advisory agreement (each advisory agreement between Canyon Bridge and a Canyon Bridge Client, an "**Advisory Agreement**").

Canyon Bridge Management has "cost-plus" arrangements with Canyon Bridge HK and Canyon Bridge Beijing (in respect of the non-discretionary advice that they provide to Canyon Bridge Management in respect of the Fund).

The Fund pays an investment advisory fee to Canyon Bridge Management annually in advance during the term of the Fund (the "**Management Fees**"). Management Fees will generally initially equal 2% per annum of the commitment amount of each investor and, after the commitment period, will equal 2% per annum of the capital contributions of each investor that were used to

fund the cost of, and remain invested in, portfolio investments that are held by the Fund as of the relevant payment date. The Management Fees may be paid to Canyon Bridge Management by the Fund out of capital contributions from the investors or out of the investors' share of proceeds from investments and income from temporary investments or borrowings.

Termination and Fees

The events under which an Advisory Agreement could be terminated (and whether or not a termination would result in a return of fees to a client) will be addressed within the applicable Advisory Agreement. In respect of the Fund, a *pro rata* portion (based on days remaining in the payment period) of any unearned Management Fees will be refunded to the Fund in the event of a termination of the Fund's Advisory Agreement with Canyon Bridge Management. Any unearned Management Fees will generally not be returned to an investor that withdraws from the Fund prior to its dissolution.

Carried Interest

The Fund will allocate to the Canyon Bridge GP on a deal-by-deal basis a carried interest distribution based on proceeds generated from the sale of Fund investments, in an amount equal to 20% of the profits from the disposition of each portfolio investment made by the Fund, after the return of invested capital and a preferred return to limited partners. All performance-based compensation payable to Canyon Bridge GP will be effected consistent with the requirements of Section 205 of the Advisers Act and Rule 205-3 thereunder.

Brokerage Fees or Costs

Item 12 of this Brochure provides a detailed discussion of Canyon Bridge's anticipated brokerage practices and related costs and fees.

Indemnification

It is anticipated that each client will indemnify Canyon Bridge HK and certain other persons under those circumstances specified in the Client Documents. The Client Documents for the Fund contain indemnification obligations in favor of Canyon Bridge HK and certain of its related persons.

Other Fees and Expenses

Expenses that may be incurred by a Canyon Bridge Client will be set forth in the relevant Client Documents.

The Fund is responsible for (i) its organizational expenses (up to an amount specified in the Fund's Client Documents) and (ii) all costs, expenses and liabilities incurred by or arising out of the operation and activities of the Fund or its subsidiaries, ordinary or extraordinary (as set forth in the Fund's Client Documents).

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

Certain Client Documents may provide that Canyon Bridge HK or its affiliate may earn a performance-based fee (for example, the carried interest to be allocated to the Canyon Bridge GP as described above in Item 5).

The terms of any performance-based fees could incentivize Canyon Bridge to make recommendations regarding potential investments and the timing and structure of realization transactions that may not be in the best interests of its clients. For example, Canyon Bridge may be incentivized to recommend more risky or speculative investments than it would otherwise make in the absence of performance-based compensation.

The terms of the carried interest distribution could incentivize Canyon Bridge to make decisions regarding the timing and structure of realization transactions that may not be in the best interests of the Fund (and its investors). For example, Canyon Bridge GP would be in a position to receive carried interest distributions earlier if profitable investments were liquidated prior to investments that were not profitable because, at the time proceeds from those profitable investments were realized, the Fund would generally not be required to first distribute capital to limited partners to make up for prior losses associated with unprofitable investments. Although the Fund's documentation contains "general partner clawback" provisions to ensure proper alignment of carried interest payments against aggregate Fund performance, the return of carried interest distributions to Fund limited partners could be delayed if not funded by the Canyon Bridge GP in a timely manner.

The carried interest distribution also creates a potential conflict of interest for Canyon Bridge in the context of valuing investments. For example, because distributions to the limited partners in the Fund are generally calculated in a "deal-by-deal" waterfall, Canyon Bridge GP does not receive a carried interest distribution until the limited partners receive distributions equal to their share of any write downs that were not taken into account for prior distributions. This creates an incentive for Canyon Bridge to avoid writing down the value of assets that are not readily marketable or difficult to value because then Canyon Bridge GP would be in a position to receive a higher carried interest distribution. Canyon Bridge believes that this conflict is mitigated by the existence of, and Canyon Bridge's adherence to, its valuation policies.

Item 7 – Types of Clients

As described in Item 4 above, the Fund is Canyon Bridge HK's sole client. Canyon Bridge HK anticipates that any additional clients will include other pooled investment vehicles that pursue private equity strategies.

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

Investment Strategies, Instruments and Certain Related Risks

Methods of Analysis and Investment Strategies

The Canyon Bridge Clients focus on acquiring, holding and disposing of equity or equity-linked structured investments, independently or with others, in established or less established, private or publicly traded companies (or their parents) in industry-leading business and leverage the collective experience of the Canyon Bridge team to add value in areas such as management team building and enhancement, strategy change, sales growth, and operational improvement.

Canyon Bridge will regularly reassess and refine its acquisition criteria to reflect the lessons learned from its investment and management experience. The Canyon Bridge Clients will target potential portfolio companies with:

- opportunities for Canyon Bridge to add value;
- proprietary products;
- direct relationships with their customers;
- global low-cost sourcing or manufacturing capabilities;
- high margins;
- strong free cash flow (i.e., limited capital expenditures and working capital requirements); and
- identified opportunities for growth.

Canyon Bridge's private equity professionals will spend the majority of their time originating investment opportunities. Canyon Bridge will identify potential investments through: (i) third party finders, which Canyon Bridge retains to contact selected companies in targeted industries using their proprietary databases; (ii) managers of its clients' portfolio companies; (iii) relationships with industry executives; (iv) direct solicitation of business owners; and (v) personal relationships with prospective sellers. Canyon Bridge will set up a target pool, collect basic information about the targets and monitor targets for potential investment opportunities.

If Canyon Bridge concludes that a business is worth pursuing, its buyout team will proceed with its due diligence to assess possible synergy benefits and valuation. This process typically includes initial and follow-up management meetings, facility visits, review of financial and operating data, and a preliminary market assessment, which always involves the retention of, and discussion with, third-party industry experts. As part of this phase, Canyon Bridge will also refine its acquisition model. Importantly, if the buyout team believes that additional investments in people, programs or systems are necessary, Canyon Bridge will build those considerations into its financial model.

Based on a preliminary due diligence, the buyout team will report to the investment committee of Canyon Bridge GP and obtain approvals before providing the target company a non-binding letter of intent. Once a letter of intent to acquire the target company is signed, the Canyon Bridge buyout team will: (i) make repeated visits to the company to perform detailed business diligence and extensively interact with senior management, both in groups and individually; (ii) have

meetings and calls with industry consultants and experts to assess market dynamics and how they may impact the company; (iii) complete accounting, legal, environmental, insurance and other third-party due diligence of the prospective investment; (iv) conduct calls with customers and vendors; and (v) structure shareholder, employment and long-term incentive compensation agreements with key management.

As part of its assessment process for each platform acquisition, Canyon Bridge will perform an analysis of industry size, competition and market fragmentation. This not only helps clarify the relative position of the business Canyon Bridge is diligencing, but also provides insight into the number and size of potentially attractive add-on acquisition candidates. Canyon Bridge Clients may acquire add-on investments, in order to provide product line extensions, open new market opportunities, extend the portfolio company's geographic reach or do all of the foregoing.

After acquiring an interest in a business, Canyon Bridge's principals will provide direct assistance to that portfolio company on matters such as major sales proposals to existing or target customers, organization top-grading, compensation programs, development of key metrics to monitor the business, intellectual property development, protection and licensing, global vendor initiatives, capital purchasing planning, tax planning, legal and financial matters. As appropriate, Canyon Bridge will meet with customers and distributors and participate in contract negotiations.

On November 2, 2017, the Fund closed on its acquisition of all of the ordinary share capital of the Imagination Technologies Group PLC (now known as Imagination Technologies Group Limited) ("Imagination"). Imagination creates and licenses processor solutions for graphic, vision & AI processing and multi-standard communications. Its worldwide headquarters is in the UK.

Related Risks

Additional Capital; Leverage. The Canyon Bridge Clients' portfolio companies may require additional financing (including leverage) from sources outside the Canyon Bridge Clients to satisfy their capital requirements. The amount of additional financing needed will depend upon the business objectives and strategy of the particular company. The availability of capital may be a function of economic conditions that are beyond the control of the relevant Canyon Bridge Client(s) or any portfolio company. There can be no assurance that a portfolio company will be able to predict accurately its capital requirements or that additional funds will be available from the desired sources or from any sources or on terms favorable to the portfolio companies.

Unspecified Investments. The capital commitments to be received from a Canyon Bridge Client's investors will generally go into a blind pool. Accordingly, an investor in a Canyon Bridge Client must rely upon the ability of Canyon Bridge in making investments consistent with the Canyon Bridge Client's investment objectives and policies. The investors will not have the opportunity to individually evaluate the relevant economic, financial and other information that will be utilized by Canyon Bridge in its selection of investments or otherwise approve of these investments. In addition, investors will generally not have the ability to "opt-in" or "opt-out" of any particular investments made by the Canyon Bridge Client.

Difficulty of Locating Suitable Investments. The Canyon Bridge Clients may be unable to find a sufficient number of attractive opportunities to meet its investment objectives. It is possible that competition for investment opportunities may increase in the future, thus reducing the number of attractive investment opportunities available to the Canyon Bridge Clients and potentially adversely affecting the terms upon which investments can be made.

Risk of Limited Number of Investments. A Canyon Bridge Client may participate in a limited number of investments and, as a consequence, the aggregate return of the Canyon Bridge Client 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.

Credit Support. A Canyon Bridge Client may make contingent funding commitments to its portfolio companies and provide credit support for these obligations. This credit support may take the form of a guarantee, a letter of credit or a pledge of a portion of the Canyon Bridge Client's commitments to a lender. These funding commitments may be secured by an assignment of Canyon Bridge's rights to draw down capital from Canyon Bridge Client (and its investors). It is possible that a Canyon Bridge Client (and its investors) will be required to acknowledge and consent to such a pledge and provide certain information as required by the lender. Canyon Bridge may be required to segregate unfunded capital commitments sufficient to satisfy the relevant Canyon Bridge Client's obligations with respect to this credit support. Utilization of the credit support will result in fees, expenses and interest costs to the Canyon Bridge Client, and it may result in an under-utilization of the Canyon Bridge Client's capital.

Reliance on Portfolio Company Management. The day-to-day operations of a Canyon Bridge Client's Portfolio Company will be the responsibility of that company's management team. Although Canyon Bridge will be responsible for monitoring the performance of a Canyon Bridge Client's portfolio companies and generally will seek to invest in companies operated by capable management, there can be no assurance that an existing management team, or any successor team installed by Canyon Bridge, will be able to successfully operate a portfolio company in accordance with the Canyon Bridge Client's investment strategy.

Board Participation. Canyon Bridge personnel will serve as directors of a Canyon Bridge Client's portfolio companies and, as such, have duties to persons other than the Canyon Bridge Client. Although holding board positions will be important to the Canyon Bridge Client's investment strategy and may enhance the ability of the Canyon Bridge Client and Canyon Bridge to manage investments, director positions may also have the effect of impairing Canyon Bridge's ability to sell the related securities when, and upon the terms, it may otherwise desire, and may subject the Canyon Bridge Client and Canyon Bridge to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims, and other director-related claims. In general, the Canyon Bridge Clients will indemnify Canyon Bridge from those claims.

Control Person Liability. Canyon Bridge Clients may hold controlling interests in their 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 regulation (including securities laws), and other types of liability for which the limited liability generally characteristic of business ownership may be ignored. If these liabilities were to arise, a Canyon Bridge Client might suffer a significant loss. The exercise of control over a portfolio company could expose the assets of the Canyon Bridge Client to claims by the portfolio company, its security holders, and its creditors. A Canyon Bridge Client could still incur significant costs in defending those claims, even in the case that the Canyon Bridge Client is the prevailing party.

Non-Controlling Investments. A Canyon Bridge Client may hold, non-controlling interests in certain portfolio companies and, therefore, may have a limited ability to protect its positions in those portfolio companies.

Contingent Liabilities on Dispositions. In connection with the disposition of its interest in a portfolio company, a Canyon Bridge Client may be required to make representations and warranties about the business and financial affairs of the portfolio company and/or its assets typical of those made in connection with the sale of a business or a portfolio of assets. A Canyon Bridge Client also may be required to indemnify the purchasers of the portfolio company to the extent that any of its representations and warranties are inaccurate, to the extent that any of its covenants are breached, for pre-closing liabilities and for other matters specific to each exit transaction. These arrangements may result in the occurrence of contingent liabilities for which Canyon Bridge may need to establish reserves or escrows. In that regard, investors in Canyon Bridge Clients may be required to return amounts distributed to them to fund obligations of the relevant Canyon Bridge Client.

Distributions in Kind. A Canyon Bridge Client may make distributions in kind and these distributions may consist of assets or securities for which there is no readily available public market.

Regulatory Approvals. Before the Fund's acquisition or disposition of any particular portfolio company, depending upon the location of the portfolio company, certain government approvals may be necessary or prudent. For example, in respect of portfolio companies located or that operate in the United Kingdom, the government has an approval right over certain deals involving the media, financial and defense/national security sectors. However, it plans to widen its powers, in the first instance by including certain advanced technology sectors among those over which it may exercise an approval right. It is possible that in the near future, the Fund's portfolio companies could fall within the scope of an expanded government sale or acquisition approval right in the United Kingdom.

In addition, in respect of portfolio companies located or that operate in the United States, an acquisition may be subjected to approval by the Committee on Foreign Investment in the United States ("**CFIUS**"). This means that: (1) CFIUS shall have determined that the acquisition is not a covered transaction and not subject to review under applicable law, (2) the parties shall have received written notice issued by CFIUS that it has determined that there are no unresolved national security concerns with respect to the acquisition and has concluded all action under Section 721 of the Defense Production Act of 1950 (the "**DPA**"), or (3) if CFIUS has sent a report to the President of the United States requesting the President's decision pursuant to the DPA

with respect to the relevant acquisition, then (a) the President has announced a decision not to take any action to suspend, prohibit or place any limitations on the acquisition, or (b) having received a report from CFIUS requesting the President's decision, the President has not taken any action after 15 days from the date the President received such report from CFIUS. In deciding whether to grant clearance, CFIUS will consider the effect of the acquisition on U.S. national security and other factors within its relevant jurisdiction. As a condition to its clearance, CFIUS may impose measures and conditions to mitigate any U.S. national security concerns, certain of which may materially and adversely affect operating results due to the imposition of requirements, limitations or costs or placement of restrictions on the conduct of business and which may adversely affect the financial prospects and outcomes of the acquisition.

Legislation recently introduced in Congress seeks to modernize and strengthen the CFIUS review process to more effectively guard against the risk to U.S. national security posed by certain types of foreign investment. Among other things, the proposed legislation would expand the scope of transactions within the jurisdiction of CFIUS, make filings for certain transactions mandatory, and extend the timeline for a CFIUS review. There is no certainty that the legislation will become law or, if it does become law, what changes to the current CFIUS review process will be included in the enacted legislation and when such changes would become effective.

Recently, an intended acquisition of a potential portfolio company (Lattice Semiconductor Corporation ("**Lattice**") by the Fund (the "**Lattice Acquisition**") was terminated because CFIUS clearance was not obtained. Specifically, the closing conditions for the Lattice Acquisition included obtaining clearance by CFIUS. On September 13, 2017, the President of the United States issued an order (the "**Order**") prohibiting the Lattice Acquisition. As a result of the issuance of the Order, clearance by CFIUS was not obtained, the Lattice Acquisition was not consummated, and Lattice terminated the acquisition agreement in accordance with its terms. Neither Lattice nor the Fund incurred any termination fees in connection with the termination of the acquisition agreement.

Item 9 – Disciplinary Information

Form ADV Part 2 requires investment advisers such as Canyon Bridge HK to disclose legal or disciplinary events involving the firm or its partners, officers, or principals that are material to the evaluation of its advisory business or the integrity of its management. On October 30, 2017, Benjamin Chow (CRD # 6723414), Shareholder (40%), Chairman, and Chief Executive Officer of Canyon Bridge Management and Director of Canyon Bridge HK was charged in an indictment returned in the United States District Court for the Southern District of New York, alleging violations of the U.S. federal securities laws. Mr. Chow has pleaded not guilty to all charges. Trial of the case has been scheduled for April 9, 2018. For additional information, refer to the Criminal Disclosure Reporting Page which has been filed on the IARD in respect of this matter.

Item 10 – Other Financial Industry Activities and Affiliations

As described above in Item 4, Canyon Bridge GP provides discretionary advice to the Fund, Canyon Bridge Management provides non-discretionary advice to the Fund and Canyon Bridge

Beijing provides non-discretionary advice to Canyon Bridge Management (in respect of the Fund).

Canyon Bridge and its personnel may give advice or take action for their own accounts that may differ from, conflict with, or be adverse to, advice given to or action taken for the Canyon Bridge Clients. These activities may adversely affect the prices and availability of other securities or instruments held by or potentially considered for, one or more of Canyon Bridge's clients. No Canyon Bridge Client or investor in any Canyon Bridge Client will have an interest in such investments or other investment funds organized or sponsored by Canyon Bridge by virtue of its status as a client or investor (notwithstanding the fact that those investments may be in competition with those of the Canyon Bridge Clients).

Canyon Bridge personnel may have certain conflicts in allocating their time and services among the Canyon Bridge Clients. Canyon Bridge personnel will work on multiple endeavours, including potential business activities as well as any personal activities, within the parameters of any employment agreements and the Client Documents. For example, one of the Canyon Bridge principals serves on the board of public companies in the semi-conductor industry.

In connection with these other activities, Canyon Bridge and/or its personnel may come into possession of information that limits its and its affiliates' ability to engage in potential transactions. A Canyon Bridge Client's activities may be constrained as a result of the inability of Canyon Bridge personnel to use such information. For example, certain employees may be prohibited by law or contract from sharing information with other employees who participate in the client's investment team. Additionally, there may be circumstances in which one or more of certain individuals associated with Canyon Bridge will be precluded from providing services related to a client's activities because of certain confidential information available to those individuals.

Conflicts of interest may arise because Canyon Bridge personnel may serve as directors of the Canyon Bridge Clients' portfolio companies. In addition to any fiduciary duties that Canyon Bridge and its personnel owe to the Canyon Bridge Client, as directors of a portfolio company, those Canyon Bridge personnel owe fiduciary duties to the portfolio company (and may owe duties to any minority shareholders). Those positions may place Canyon Bridge personnel in a position where they must make a decision that is either not in the best interests of the Canyon Bridge Client or not in the best interests of the portfolio company; however, as the Canyon Bridge Clients will generally be the controlling shareholders of such companies, it is expected that such interests will generally be aligned.

Certain service providers or their affiliates to Canyon Bridge Clients and their portfolio companies may also provide goods or services to, or have business, personal, financial or other relationships with, Canyon Bridge. Such service providers or their affiliates may charge different rates or have different arrangements for services provided to Canyon Bridge as compared to services provided to the Canyon Bridge Clients and/or their portfolio companies, which in certain circumstances may result in more favorable rates or arrangements than those payable by those Canyon Bridge Clients and/or their portfolio companies.

By entering into side letters, certain investors in the Canyon Bridge Clients may receive information that is not generally available to, or utilized by, other Canyon Bridge Client investors (whether with respect to the relevant Canyon Bridge Client, the financial markets generally or otherwise) and, as a result, may be able to act on such information when others cannot. Disclosure of this fact to potential and current Canyon Bridge Client investors is intended to mitigate this potential conflict of interest.

It is expected that each Canyon Bridge Client that is a pooled investment vehicle will have an advisory committee (a “**LP Advisory Committee**”), whose members will be designated by the relevant general partner. These LP Advisory Committees will generally be to review and approve or disapprove certain actual or potential conflicts of interest, provide project approval and consult with and advise Canyon Bridge on other matters brought to them.

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

Code of Ethics

Canyon Bridge HK has adopted a Code of Ethics, which holds its employees to a high standard of integrity and business practice, in compliance with applicable U.S. laws and regulations. In serving its clients, Canyon Bridge HK strives to avoid conflicts of interest or the appearance of conflicts in connection with the securities transactions of Canyon Bridge HK, any of its affiliates and their employees. Canyon Bridge HK and its personnel owe their clients a duty of honesty, good faith and fair dealing and have an obligation to adhere not only to the specific provisions of the Code of Ethics but also to the general principles that guide it.

The Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports and initial and annual securities holdings reports submitted by all of Canyon Bridge HK’s access persons. The Code of Ethics requires the prior approval or prohibition of certain securities transactions. It also contains oversight, enforcement, and recordkeeping provisions. Canyon Bridge HK designed the Code of Ethics to ensure that the personal securities transactions, activities, and interests of its employees will not interfere with (i) making decisions in the best interest of its clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Participation or Interest in Client Transactions and Personal Trading

Any potential conflict of interest will be considered and mitigated consistent with Canyon Bridge HK’s Portfolio Management Policy and Conflicts of Interest Policy.

Canyon Bridge HK will not generally engage in principal or cross transactions. In accordance with the anti-fraud provisions of the U.S. Investment Advisers Act of 1940, as amended (the “**Advisers Act**”) and with Canyon Bridge HK’s internal compliance policies and procedures, Canyon Bridge HK will not, as principal, sell a security to, or buy a security from, a client without obtaining the consent of the client prior to the settlement of such transaction.

Canyon Bridge HK personnel may in the future serve on the boards of Canyon Bridge Clients' portfolio companies. (See Item 10 for a description of this potential conflict.)

Item 12 – Brokerage Practices

Selection of Brokers

Canyon Bridge anticipates that it will have the authority to determine without client consultation or consent the investment banker or other intermediary through which the Canyon Bridge Clients purchase or sell portfolio investments, and the compensation at which such transactions are effected.

In selecting brokers to provide services in connection with portfolio transactions, Canyon Bridge's policy is to seek best execution, which means that it seeks to ensure that the client's total cost or proceeds is the most favorable under the circumstances. Accordingly, transactions will not always be effected at the best price or the lowest available compensation.

Canyon Bridge will not adhere to any rigid formulas in making its selection of investment bankers or other intermediaries to assist with portfolio transactions on behalf of its clients, but will weigh a combination of factors or criteria. For example, the determination of what is expected to result in best execution on an overall basis involves a number of factors, including:

- reliability;
- reputation;
- industry knowledge and expertise;
- ability to provide access to potential purchasers of portfolio companies;
- financial stability;
- efficiency;
- ability to keep brokerage activities confidential;
- provision of products and services;
- idea generation;
- competitive compensation; and
- general responsiveness.

Canyon Bridge may receive products and services from investment bankers and other intermediaries. "Products and services" includes, but is not limited to:

- proprietary and third party research and analyses regarding potential portfolio companies;
- oral and written reports on market statistics or market trends;
- introduction of potential investment opportunities;
- reports on underwriting activity, bank rates, loan defaults, loan new issuance volumes and other capital markets statistics;
- opportunities to confer with company management;
- assistance with closing portfolio transactions;
- tickets to attend sporting and other recreational events;
- conferences and networking events (including fees, accommodations and meals).

Canyon Bridge receives or may receive products and services from investment bankers and other intermediaries. “Products and services” includes, but is not limited to:

- proprietary and third party research and analyses regarding potential portfolio companies;
- oral and written reports on market statistics or market trends;
- introduction of potential investment opportunities;
- reports on underwriting activity, bank rates, loan defaults, loan new issuance volumes and other capital markets statistics;
- opportunities to confer with company management;
- assistance with closing portfolio transactions;
- tickets to attend sporting and other recreational events;
- conferences and networking events (including fees, accommodations and meals).

Canyon Bridge is not required to (i) obtain the lowest brokerage compensation rates or (ii) combine or arrange orders to obtain the lowest brokerage compensation rates. Canyon Bridge is also not required to solicit competitive bids. Canyon Bridge does not negotiate “execution only” compensation rates; thus, a Canyon Bridge Client may be deemed to be paying for products and services provided by the broker-dealer which are included in the transaction charges.

Products and services may be used by Canyon Bridge for itself and/or in servicing some or all of its clients. Some products and services may not necessarily be used for a Canyon Bridge Client

even though its compensation dollars (transaction-related fees) provided for those products and services. A Canyon Bridge Client, therefore, may not, in any particular instance, be the direct or indirect beneficiaries of the products and services provided. Further, the relationships with brokers that provide products and services to Canyon Bridge may influence its judgment in allocating brokerage business and create a conflict of interest in using the services of those brokers to execute the relevant Canyon Bridge Client's portfolio transactions. Canyon Bridge will attempt to mitigate the foregoing conflicts of interest through the application of its best execution policies and procedures (which include monitoring whether it is obtaining best execution on an overall basis).

Brokerage for Client Referrals

Canyon Bridge does not consider whether it has received an investor or client referral from brokers in selecting or recommending brokers to the Canyon Bridge Clients.

Directed Brokerage

Canyon Bridge does not enter into directed brokerage arrangements.

Allocations of Investment Opportunities

Canyon Bridge currently has one advisory client. However, in the event that Canyon Bridge has more than one advisory client, it will develop policies in respect of allocating investment opportunities between clients.

Item 13 – Review of Accounts

A. Review- Risk Management

During the early years of a portfolio investment, Canyon Bridge personnel will hold operations review meetings with portfolio company management. These meetings will generally involve discussions regarding, among other topics, the company's financials, key initiatives, future priorities and evaluation of progress against established objectives. In addition to these meetings, Canyon Bridge personnel will interact with portfolio company managers, receive

periodic reports on the performance of the business and provide assistance to portfolio companies on matters such as major sales proposals to existing or target customers.

B. Reports to Clients

Canyon Bridge will provide to Fund investors:

- audited annual financial reports of the Fund within 120 days of the conclusion of the Fund's fiscal year (audited by the Fund's independent public accountant); and
- quarterly reports providing narrative and summary financial reports of the Fund's investments (for example, an unaudited income statement, an unaudited cash flow statement, an unaudited statement of investors' capital accounts).

Item 14 – Client Referrals and Other Compensation

Neither Canyon Bridge HK nor its related persons directly or indirectly compensate any person who is not a supervised person for investor or client referrals. Canyon Bridge HK does not provide compensation to non-supervised persons for the purpose of obtaining clients.

Item 15 – Custody

To the extent required by applicable law, the Canyon Bridge Clients' securities and funds will be held by qualified custodians. As noted in Item 13 above, Fund investors will receive annual financial statements audited by an independent public accountant. Fund investors are urged to carefully review such statements.

Item 16 – Investment Discretion

Any discretionary authority to manage securities accounts on behalf of clients, any limitations clients may place on this authority and any procedures followed before Canyon Bridge assumes any such authority (e.g., execution of a power of attorney) will be set forth in the Client Documents. Canyon Bridge HK has non-discretionary authority in respect of the Fund (by virtue of Canyon Bridge Management's Advisory Agreement with Canyon Bridge HK).

Item 17 – Voting Client Securities

Canyon Bridge HK does not have the authority to vote the Fund's securities. Canyon Bridge Clients will not likely acquire investments that will involve the voting of proxies. In the event that a Canyon Bridge Client acquires an investment that involves the voting of proxies, Canyon Bridge HK expects that the client will receive proxies or other solicitations directly from their custodian or a transfer agent, and the client should contact such custodian or agent about a particular solicitation.

Item 18 – Financial Information

Form ADV Part 2 requires investment advisers to disclose any financial condition reasonably likely to impair their ability to meet contractual commitments to clients. At this time, Canyon Bridge HK has no information to report that is applicable to this Item 18.

Item 19 – Requirements for State-Registered Advisers

Form ADV Part 2 requires responses to Item 19 if an investment adviser is registered with one or more state securities authorities. This item is not applicable to Canyon Bridge HK.