

North Peak Capital Management, LLC

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This brochure provides information about the qualifications and business practices of North Peak Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at telephone number or email address listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. North Peak Capital Management, LLC is a registered investment adviser, but registration does not imply a certain level of skill or training.

Additional information about North Peak Capital Management, LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

In this Item, North Peak Capital Management, LLC is required to identify and discuss material changes since the last time this brochure was updated. Since this brochure was prepared as part of North Peak Capital Management, LLC's initial application for registration as an investment adviser, there are no such material changes to identify or discuss.

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Item 4: Advisory Business

- A. North Peak Capital Management, LLC ("Adviser") is an investment adviser founded in 2015 and principally owned by Jeremy Kahan and Michael Kahan. Since 2015, Adviser has been managing the private fund assets of North Peak Capital Partners, LP (the "Fund"), a hedge fund qualified for the exclusion from the definition of investment company under section 3(c)(1) of the Investment Company Act of 1940. Prior to its initial application for registration as an investment adviser, Adviser has been exempt from registration due to its reliance on the private fund adviser exemption and the laws of the State of New York.

B. Adviser offers the following types of advisory services:

- i. Separately Managed Account Portfolio Management: Adviser provides investment advice to qualified separately managed account clients on a non-discretionary basis by recommending a limited number of publicly-traded equity securities (or a single security) to comprise the client's portfolio. Qualified separately managed account clients are ultimately responsible for accepting or rejecting Adviser's portfolio recommendations, and arranging for the execution of any recommended transactions in their account(s).
- ii. Private Fund Portfolio Management: Adviser provides investment advice to the Fund based on the investment objective of the Fund, and the Fund in-turn invests its assets into securities. The investment objective of the Fund is to achieve superior capital appreciation over a multi-year time horizon. The Fund employs a private equity style approach to public markets. Adviser seeks to make a select number of highly researched investments each year in companies that are capable of compounding earnings over a multi-year time horizon. The Fund will primarily focus on small and mid-cap equities that Adviser believes to be mispriced relative to future earnings and free cash flow. Adviser attempts to generate consistently superior after-tax returns by investing in growth companies with high returns on invested capital and strong management teams. Adviser will selectively invest in deep value situations with minimal potential for capital impairment and a clear catalyst to unlock shareholder value. While the Fund will be long-biased, Adviser will selectively take short positions in companies that are secularly challenged or that Adviser believes are fundamentally mispriced relative to estimates of future earnings.

Investors in the Fund are limited partners ("Limited Partners"). The General Partner solely responsible for the management of the Fund is North Peak Capital GP, LLC. The Limited Partners of the Fund are not clients of Adviser; each prospective Limited Partner must confer with his or her own advisers to determine the suitability and appropriateness of an investment in the Fund. This document is not an offer to sell or a solicitation of an offer to buy interests in the Fund. Such an investment may be made only after receipt and review of the Fund's Confidential Private Placement Memorandum (the "Memorandum"). The Memorandum contains important information concerning risk factors and other material aspects of the Fund and it must be read carefully before making an investment decision. The information in this document is qualified in its entirety by, and should be read in conjunction with, the information contained in the Memorandum. A copy of the Memorandum is available upon request to Adviser by persons who are "accredited investors" as defined under Regulation D of the Securities Act of 1933.

- C. Adviser tailors its private fund portfolio management services to the Fund based on the investment objective of the Fund. Adviser's recommendations will allocate portions of the Fund's assets to various asset classes classified according to historical and projected risks and rates of return. Adviser does not provide tailored investment advice to the Limited Partners of the Fund, but the Fund may impose restrictions on investing in certain securities or types of securities so long as such restrictions may reasonably be implemented by Adviser.
- D. Adviser does not participate in any wrap fee programs.

- E. Adviser has the following amount of discretionary and non-discretionary regulatory assets under management calculated as of March 26, 2018:
- i. Discretionary: \$35,500,000
 - ii. Non-Discretionary: \$0

Item 5: Fees and Compensation

- A. Adviser is compensated for its separately managed account portfolio management services not by a management fee, but instead solely by a performance allocation generally ranging between 5% to 10% with a "high water mark" of qualified separately managed account assets. Fees are negotiable, and each client's specific fee schedule is included as part of the investment advisory agreement signed by Adviser and the client.

Adviser is compensated for its private fund portfolio management services by an annual management fee of 2% and a 20% performance allocation with a "high water mark." Investors in the Fund will generally be subject to (i) a quarterly management fee, payable in arrears equal to 0.5% (2% per annum) of such investor's capital account balance as of the end of such quarter (including any interest in any side pocket investments); and (ii) an annual performance allocation equal to 20% of each investor's ratable share of the Fund's profits for such year, but only to the extent that such profits exceed such investor's "high water mark." Certain investors in the Fund that are subject to a side letter agreement will be subject to a different management fee and performance allocation (as well as a different Lock-Up Period duration).

- B. Separately managed account performance allocations (if any) are deducted solely upon exit.
- C. In addition to the fees charged by Adviser, separately managed account clients will incur brokerage and other transaction costs. Please refer to Item 12: Brokerage Practices, for further information on such brokerage and other transaction costs. Clients will also typically incur additional charges related to the safekeeping and custody of client assets and other product-specific expenses, and ERISA-specific services for accounts subject to ERISA. These additional charges are separate and apart from the fees charged by Adviser.

The Fund shall pay for all ordinary operating and other expenses, including, but not limited to, investment-related expenses (such as brokerage commissions, clearing and settlement charges, custodial fees, interest expenses, expenses relating to consultants, brokers or other professionals or advisors who provide research, advice or due diligence services with regard to investments, appraisal fees and expenses and investment banking expenses); research costs and expenses (including fees for news, quotation and similar information and pricing services); legal expenses (including, without limitation, the costs of on-going legal advice and services, blue sky filings and extraordinary legal expenses); the management fee; accounting fees and audit expenses; administrative fees; tax preparation expenses and any applicable tax liabilities (including transfer taxes and withholding taxes); other governmental charges or fees payable by the Fund; costs of printing and mailing reports and notices; and other similar expenses related to the Fund, as the General Partner determines in its sole discretion. The General Partner or Adviser may elect to pay any of the foregoing expenses from the General Partner's or Adviser's own resources for any period, in the sole discretion of the General Partner or Adviser, as applicable.

- D. In the event of a withdrawal or other termination of a Limited Partner's interest in the Fund, any unpaid management fee and performance allocations will be assessed in accordance with the limited partnership agreement and through the effective withdrawal date (or termination date) applicable to such Limited Partner.

Beginning twenty-four (24) months from the date a Limited Partner's capital account is established (such period to be the "Lock-Up Period"), a Limited Partner will generally be permitted to make withdrawals from its capital account (except to the extent of its interest in any unrealized side pocket investments) as of the last business day of any calendar quarter, or such other date as the General Partner may determine in its discretion (each such date, a "Withdrawal Date"), provided that, the Fund receives at least 45 days' written notice of such withdrawal prior to the applicable Withdrawal Date. As described in Item 5(A) above, certain investors in the Fund that are subject to a side letter agreement will be subject to a different Lock-Up Period duration.

- E. Neither Adviser nor any of its supervised persons accepts compensation for the sale of securities or other investment products.

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

Adviser receives a performance-based fee from qualified clients in the form of the performance allocation described in Item 5, above. The performance allocation is only assessed against the capital accounts of Limited Partners and separately managed account clients who are "qualified clients" as such term is defined by Rule 205-3 under the Investment Advisers Act of 1940.

Performance-based compensation arrangements create a conflict of interest as they create an incentive for the adviser to recommend investments that carry a higher degree of risk to the client. Adviser mitigates this conflict of interest by selecting investments that it believes to be appropriate for the Fund, in accordance with the Fund's investment objective. Furthermore, the investment strategy for separately managed account clients is distinct from the investment strategy for the Fund.

Item 7: Types of Clients

Adviser generally provides its private fund portfolio management services exclusively to the Fund, and provides its separately managed account portfolio management services to high-net-worth individuals and other private funds. The minimum account value required to invest in the Fund is \$50,000, and there is no minimum account value for separately managed account clients.

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

- A. The investment strategies used by Adviser when formulating investment advice or managing assets for separately managed account clients include concentrated long-only positions in a

publicly-traded equity security or securities designed to capture long-term value. The investment strategies used by Adviser when formulating investment advice or managing assets for Fund include a private equity style approach to public markets as further described in Item 4, above. Investing in securities involves risk of loss that clients should be prepared to bear. Past performance does not guarantee future returns.

- B. Like any investment strategy, the strategies utilized by Adviser involve material risks. Such material risks are described in further detail below:
- i. There can be no assurance that the Fund will achieve its investment objective or avoid substantial losses. A Limited Partner could lose all or a substantial amount of his or her investment. Notwithstanding the method of analysis or investment strategy employed by Adviser, the assets of the Fund are subject to risk of devaluation or loss. A Limited Partner should not make an investment in the Fund with the expectation of sheltering income or receiving cash distributions. Adviser believes that substantial returns can be achieved by investing in a Fund; however, such investment involves a high degree of risk. Adviser urges investors to review carefully the risk factors set forth in the Memorandum. The Memorandum contains important information concerning risk factors and other material aspects of the Fund and should be read carefully before any Limited Partner decides to invest in the Fund. The risk factors set forth in the Memorandum are those deemed by Adviser to be the most significant.
 - ii. In addition to the risk factors listed in the Memorandum, a prospective Limited Partner or separately managed account client should carefully consider the following risks prior to making an investment in a Fund or separately managed account:
 - a. General Investment Risks: The Fund's success depends upon Adviser's ability to implement its investment strategy. Any factor that would make it more difficult to execute timely trades may also be detrimental to a Fund's or strategy's profitability.
 - b. Dependence on Key Personnel: Adviser is dependent on the services of Jeremy and Michael Kahan, and there can be no assurance that Adviser will be able to retain Jeremy or Michael Kahan. The departure or incapacity of Jeremy Kahan or Michael Kahan could have a material adverse effect on Adviser's management of the investment operations of a Fund or a separately managed account.
 - c. Investment and Trading Risks. All investments involve the risk of a loss of capital. Adviser believes that its investment program and its research and risk-management techniques moderate this risk through the careful selection of securities and other financial instruments. No guarantee or representation is made that a Fund's or strategy's investment program will be successful, and investment results may vary substantially over time.
 - d. Risks Relating to Markets. The value of those securities in which a Fund or a separately managed account strategy invests and that are traded on exchanges or over-the counter and the risks associated therewith vary in response to events that affect such markets and that are beyond the control of a Fund and Adviser.

Market disruptions such as those that occurred during October of 1987 and on September 11, 2001, and following the systemic loss of confidence during the recent financial crisis of 2008 and 2009, could have a material effect on general economic conditions, market volatility, and market liquidity which could result in substantial losses to a Fund or a strategy.

- e. Equity Securities. The value of the equity securities held by a Fund or as part of a strategy are subject to market risk, including changes in economic conditions, growth rates, profits, interest rates and the market's perception of these securities. While offering greater potential for long-term growth, equity securities are more volatile and more risky than some other forms of investment.
- f. Small- and Medium-Capitalization Stocks. A Fund may invest its assets in stocks of companies with smaller market capitalizations; the long-only small capitalization equity investment strategy focuses on this universe of stocks. Small- and medium-capitalization companies may be of a less seasoned nature or have securities that may be traded in the over-the-counter market. These "secondary" securities often involve significantly greater risks than the securities of larger, better-known companies. In addition to being subject to the general market risk that stock prices may decline over short or even extended periods, such companies may not be well-known to the investing public, may not have significant institutional ownership and may have cyclical, static or only moderate growth prospects. Additionally, stocks of such companies may be more volatile in price and have lower trading volumes than larger capitalized companies, which results in greater sensitivity of the market price to individual transactions. Accordingly, investors in a Fund or a strategy should have a long-term investment horizon.
- g. Exchange Traded Funds. The Fund may invest in a type of investment company called an exchange-traded fund ("ETF"). ETFs are a type of investment security, representing an interest in a passively managed portfolio of securities selected to replicate a securities index, such as the S&P 500 Index or the Dow Jones Industrial Average, or to represent exposure to a particular industry or sector. Unlike open-end mutual funds, the shares of ETFs and closed-end investment companies are not purchased and redeemed by investors directly with a fund, but instead are purchased and sold through broker-dealers in transactions on a stock exchange. Because ETF and closed-end fund shares are traded on an exchange, they may trade at a discount from or a premium to the net asset value per share of the underlying portfolio of securities. As a relatively new type of security, the trading characteristics of ETFs may not yet be fully developed or understood by potential investors. In addition to bearing the risks related to investments in equity securities, investors in ETFs intended to replicate a securities index bear the risk that the ETFs performance may not correctly replicate the performance of the index. Investors in ETFs, closed-end funds and other investment companies bear a proportionate share of the expenses of those funds, including management fees, custodial and accounting costs, and other expenses. Trading in ETF and closed-end fund shares also entails payment of brokerage commissions and other transaction costs.

- h. New Issues. The Fund may invest in "New Issues" as that term is defined in Financial Industry Regulatory Authority, Inc. ("FINRA") Rule 5130. Such investments offer the opportunity for significant appreciation; however, they are speculative and involve a high degree of risk. It is characteristic of the initial public offerings market that certain companies may be extremely successful, while a much higher percentage of new public companies fail. Thus, the risk of investing in initial public offerings is substantially greater than investing in the stock market as a whole. Certain "restricted" Limited Partners may be precluded from participating, in whole or in part, in a Fund's investments in new issues, subject to the "de minimis" exception under the FINRA new issue rules. To the extent that a Limited Partner is "restricted," an investment in the Partnership may not yield the performance results that may be achieved by those investors that are entitled to receive allocations with respect to new issues.
- i. Option Transactions. The purchase or sale of an option by the Fund involves the payment or receipt of a premium payment and the corresponding right or obligation, as the case may be, to either purchase or sell the underlying investment for a specific price at a certain time or during a certain period. Purchasing options involves the risk that the underlying investment does not change in price in the manner expected, so that the option expires worthless and the investor loses its premium. Although selling options (without owning the underlying security) involves significant potential risks, Adviser does not intend to sell uncovered call options.
- j. Highly Volatile Instruments. The prices of financial instruments in which a Fund or a strategy invests can be highly volatile. Price movements of the securities and derivative contracts in which a Fund's assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The Fund and strategy are subject to the risk of failure of any of the exchanges on which its positions trade or of their clearinghouses.
- k. Leverage and Margin. In order to raise additional cash for investment, the Fund may borrow money from brokers in the form of portfolio margin and will pay interest thereon. Any investment gains made with the additional monies in excess of interest paid will cause the net asset value of the Fund to rise faster than would otherwise be the case. On the other hand, if the investment performance of the additional investments purchased fails to cover their cost (including any interest paid on the money borrowed) to the Fund, the net asset value of the Fund will decrease faster than would otherwise be the case. This is the speculative factor known as "leverage." The amount of money the Fund may borrow is limited by applicable margin limitations imposed by regulations adopted by the Federal Reserve Board. The Fund may also purchase portfolio investments in uncovered margin transactions. In the event of adverse market movements or other factors, the Fund may have to meet calls for substantial additional margin which may limit the Fund's assets available for other

investments at an inopportune time. In addition, a change in the general level of interest rates may adversely affect the Fund.

- l. Industry Concentration. Because of their narrow focus, the performance of the Fund and separately managed accounts are tied closely to and affected by the sectors in which they invest. As is the case with other industries, or groups of closely related industries, certain companies often face obstacles, issues, or regulatory burdens. Consequently, such securities may react similarly and move in unison to changes in these or other market conditions. Moreover, because the Fund's and separately managed accounts' investments may be concentrated in specific industries, the value of the Fund or separately managed accounts may be subject to greater volatility than funds and accounts with portfolios that are less concentrated. If such securities fall out of favor, the Fund or separately managed accounts could under-perform funds that focus on other types of securities.
- m. OTC Transactions. The Fund is likely to engage in transactions involving securities traded on OTC markets. In general, there is less governmental regulation and supervision in the OTC markets than of transactions entered into on an organized exchange. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, will not be available in connection with OTC transactions. This exposes the Fund to the risks that a counterparty will not settle a transaction because of a credit or liquidity problem or because of disputes over the terms of the transaction. Therefore, to the extent that the Fund engages in trading on OTC markets, the Fund could be exposed to greater risk of loss through default than if it confined its trading to regulated exchanges.

While this information provides a synopsis of the events that may affect a Limited Partner's investment in a Fund or a separately managed account client's investment, this listing is not exhaustive. Limited Partners should read the Risk Factors section in the Memorandum carefully. ANY LIMITED PARTNER MAY LOSE ALL OR A SUBSTANTIAL AMOUNT OF ITS INVESTMENT IN A FUND.

An investment in a Fund should form only a part of a complete investment program, and a Limited Partner must be able to bear the loss of his or her entire investment. Prospective investors are urged to consult with their own financial, tax and legal advisors before investing.

Item 9: Disciplinary Information

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

Item 10: Other Financial Industry Activities & Affiliations

- A. Neither Adviser nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

- B. Neither Adviser nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.
- C. As described in Item 4 above, the General Partner of the Fund is under common control with Adviser, and is principally owned by Jeremy and Michael Kahan. This has the potential to create a conflict of interest to the extent Adviser may be incentivized to favor one fund client over another, or to the detriment of separately managed account clients. Adviser addresses this conflict of interest by treating all clients equitably, and at all times placing the interests of clients ahead of Adviser's own interests.

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

- A. Adviser has adopted a code of ethics that will be provided to any client or prospective client upon request. Adviser's code of ethics describes the standards of business conduct that Adviser requires of its supervised persons, which is reflective of Adviser's fiduciary obligations to act in the best interests of its clients. The code of ethics also includes sections related to compliance with securities laws, reporting of personal securities transactions and holdings, reporting of violations of the code of ethics to Adviser's Chief Compliance Officer, pre-approval of certain investments by access persons, and the distribution of the code of ethics and any amendments to all supervised persons followed by a written acknowledgement of their receipt.
- B. Michael Kahan is a member or chairman of several other investment and non-investment related businesses independent of Adviser, for which he dedicates up to approximately 15 hours of his time per week. From time to time, investment opportunities into one or more of these independent businesses or the Fund are presented to separately managed account clients or their affiliates. This has the potential to create a conflict of interest, as Michael Kahan would have the opportunity to derive a performance allocation from the separately managed account client as well as income derived by virtue of such client's investment into one or more of his independent businesses or the Fund. Michael Kahan addresses this potential conflict of interest by fully disclosing his affiliation with such independent business(es) and the Fund when presenting investment opportunities to separately managed account clients, informing them of the multiple sources of income he may therefore derive, and that such separately managed account clients and their affiliates are under no obligation to make an investment into such independent business(es) or the Fund. Furthermore, since all separately managed account clients are managed on a non-discretionary basis, the sole investment decision-making rests with such clients and not Adviser. At all times Michael Kahan will place the interests of his clients ahead of his own.

As described in Item 4 and 10 above, the General Partner of the Fund is under common control with Adviser, and is principally owned by Jeremy and Michael Kahan. This has the potential to create a conflict of interest to the extent Adviser may be incentivized to favor one fund client over another, or to the detriment of separately managed account clients. Adviser addresses this conflict of interest by treating all clients equitably, and at all times placing the interests of clients ahead of Adviser's own interests.

- C. From time to time, Adviser or its related persons will invest in the same securities (or related securities such as warrants, options or futures) that Adviser or a related person recommends to clients. Both Jeremy and Michael Kahan are also personally invested into the Fund. This has the potential to create a conflict of interest because it affords Adviser or its related persons the opportunity to profit from the investment recommendations made to clients. Adviser's policies and procedures and code of ethics address this potential conflict of interest by prohibiting such trading by Adviser or its related persons if it would be to the detriment of any client and by monitoring for compliance through the reporting and review of personal securities transactions. In all instances Adviser will act in the best interests of its clients.
- D. From time to time, Adviser or its related persons will buy or sell securities for client accounts at or about the same time that Adviser or a related person buys or sells the same securities for its own (or the related person's own) account. This has the potential to create a conflict of interest because it affords Adviser or its related persons the opportunity to trade either before or after the trade is made in client accounts, and profit as a result. Adviser's policies and procedures and code of ethics address this potential conflict of interest by prohibiting such trading by Adviser or its related persons if it would be to the detriment of any client and by monitoring for compliance through the reporting and review of personal securities transactions. In all instances Adviser will act in the best interests of its clients.

Item 12: Brokerage Practices

- A. Adviser considers several factors when recommending a custodial broker-dealer for client transactions and determining the reasonableness of such custodial broker-dealer's compensation. Such factors include the custodial broker-dealer's industry reputation and financial stability, service quality and responsiveness, execution price, speed and accuracy, reporting abilities, and general expertise. Assessing these factors as a whole allows Adviser to fulfill its duty to seek best execution for its clients' securities transactions. However, Adviser does not guarantee that the custodial broker-dealer recommended for client transactions will necessarily provide the best possible price, as price is not the sole factor considered when seeking best execution. After considering the factors above, Adviser has decided to utilize BTIG, LLC as the prime broker for the Fund. Separately managed client accounts transactions are generally effected through Jeffries Capital Management, LLC.
 - i. Adviser receives research and other products and services in connection with client securities transactions, which are known as "soft dollar benefits". Subject to Adviser's duty to seek best execution, these arrangements may not result in the execution of trades at the lowest available commission rates. As a result of these arrangements, the Fund and separately managed account clients may pay higher commissions than would be the case in the absence of such arrangements. In all events, Adviser will always seek to obtain best execution for portfolio transactions.
 - ii. Adviser does not consider, in selecting or recommending custodial broker-dealers, whether Adviser or a related person receives client referrals from a custodial broker-dealer or third-party.

- iii. Adviser does not routinely recommend, request, or require that a client direct Adviser to execute transactions through a specified custodial broker-dealer.
- B. Adviser does not aggregate the purchase or sale of securities for client accounts.

Item 13: Review of Accounts

- A. Jeremy and Michael Kahan monitor client accounts on an ongoing basis. Such reviews are designed to ensure that the strategy is still on track to achieve its objective, and that the investments remain appropriate. Clients are encouraged to proactively reach out to Adviser to discuss any changes to their personal or financial situation.
- B. Other factors that may trigger a review include, but are not limited to, material developments in market conditions, material geopolitical events, and changes to the Fund's investment objective.
- C. The independent third-party administrator of the Fund will send account statements and reports directly to investors in the Fund no less frequently than quarterly. Such statements and reports will be mailed to clients at their address of record or delivered electronically, depending on the client's election. If agreed to by Adviser and client, Adviser or a third-party report provider will also send clients reports to assist them in understanding their account positions and performance.

Item 14: Client Referrals and Other Compensation

- A. Nobody other than clients provides an economic benefit to Adviser for providing investment advice or other advisory services to clients. However, as described above in Item 12, the custodial broker-dealer(s) recommended for client accounts provides certain products and services that are intended to directly benefit Adviser, clients, or both.
- B. Adviser has entered into one referral relationship with an independent third party to raise capital for the Fund such that Adviser compensates the third-party for client referrals based on a fixed fee and a percentage of the capital raised.

Item 15: Custody

For separately managed account clients that have their fees deducted directly from their account(s), Adviser will typically be deemed to have limited custody over such clients' funds or securities pursuant to the SEC's custody rule and subsequent guidance thereto. Adviser is deemed to have custody of the Fund's assets because it or its affiliate has the ability to deduct advisory fees payable to it and it has a general power of attorney over each Fund's account. Additionally, because the General Partner is under common control with Adviser, Adviser is deemed to have custody of the Fund's investments (cash, securities, and other assets). At no time will Adviser accept full custody of client funds or securities in the capacity of a custodial broker-dealer, and at all times client accounts will be held by a third-party qualified custodian as described in Item 12, above. Furthermore, the Fund's financial statements are subject to an annual audit by an independent public accountant, and the audited financial statements are distributed to all investors in the Fund.

If a client receives account statements from both the administrator and Adviser or a third-party report provider, client is urged to compare such account statements and advise Adviser of any discrepancies between them.

Item 16: Investment Discretion

Adviser accepts discretionary authority to manage the Fund's investments pursuant the authorizations granted in the Memorandum, the Subscription Agreement, and/or the Limited Partnership Agreement. Clients may place reasonable limitations on this discretionary authority so long as it contained in a written agreement and/or power-of-attorney. Separately managed accounts are managed on a non-discretionary basis.

Item 17: Voting Client Securities

- A. Though Adviser retains the authority to vote client securities, in practice it generally does not exercise this authority.
- B. Clients may receive proxies or other solicitations directly from Adviser, their custodial broker-dealer or a transfer agent, as applicable, and should direct any inquiries regarding such proxies or other solicitations directly to the sender.

Item 18: Financial Information

- A. Adviser does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.
- B. Adviser does not have discretionary authority or custody of client funds or securities, require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.