

Spruceview Capital Partners LLC

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Part 2A of Form ADV: Firm Brochure

March 30, 2020

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This brochure provides information about the qualifications and business practices of Spruceview Capital Partners LLC. If you have any questions about the contents of this brochure, please contact us at (303) 867-1672. 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.

Additional information about Spruceview Capital Partners LLC also is available on the SEC’s website at www.adviserinfo.sec.gov. An investment adviser’s registration with the SEC does not imply a certain level of skill or training.

Item 2 Material Changes

This brochure includes the following material changes since the brochure of Spruceview Capital Partners LLC (“*Spruceview*”) dated March 28, 2019:

- (a) changes were made to Items 4, 6, 7, 8, 10, 12, and 14 to update the descriptions of Spruceview’s business activities, including the commencement of operations of Spruceview CERPI PE Fund 2019, LP and the dissolution of Pierpoint Partners LP.;
- (b) changes were made to Item 5 to update the descriptions of the Spruceview Funds’ fees and compensation; and
- (c) changes were made to Item 7 to reflect an additional class of Interests for SOF II (as that term is defined in Item 4 herein).

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Item 4 Advisory Business

Spruceview Capital Partners LLC (“***Spruceview***”) is a multi-strategy investment management firm that invests across a variety of asset classes, including equities, fixed income, hedge funds, private equity, natural resources and real assets.

Spruceview began investment advisory operations in 2014 with the objective of providing customized investment solutions to institutional investors, family offices, individuals and other sophisticated investors. Spruceview team members have significant experience managing portfolios across various asset classes for pension plans, endowments, foundations and other institutions.

Richard W. Sabo, Chief Executive Officer and Co-Chief Investment Officer, and other senior members of the Spruceview management team are responsible for managing Spruceview’s operations as well as formulating, implementing and supervising Spruceview’s investment strategies. Certain members of the management team also hold an ownership interest in Spruceview’s parent company, Spruceview Capital Holdings LP, which is also partially owned by David W. Zalaznick and JZ Capital Partners Limited, a Guernsey company that is a closed-end fund traded on the London Stock Exchange, through its subsidiary JZBC, Inc. Spruceview Capital Holdings LP, David W. Zalaznick, JZBC, Inc. and JZ Capital Partners Limited are principal owners of Spruceview for purposes of this Item 4.

Spruceview provides investment management services to separately managed accounts and to private investment vehicles (the “***Spruceview Funds***” or the “***Funds***” and, together with the separately managed accounts, collectively referred to as “***Clients***”). As of December 31, 2019, the Funds advised by Spruceview included: Spruceview Opportunity Fund: European Income and Value, LP, a Delaware limited partnership, and its offshore feeder fund, Spruceview Opportunity Fund: European Income and Value OS, LP, a Cayman Islands exempted limited partnership (***collectively, “SOF I”***), which is no longer accepting new investors; Spruceview Opportunity Fund: U.S. Select Growth Buyout, LP, a Delaware limited partnership, and its offshore feeder fund, Spruceview Opportunity Fund: U.S. Select Growth Buyout OS, LP, a Cayman Islands exempted limited partnership (***collectively, “SOF II”***); and Spruceview CERPI PE Fund 2019, LP, an Ontario limited partnership (“***Ontario PE 2019***”), a fund constructed for investment by a Mexican trust on behalf of Mexican pension plans. Spruceview may, from time to time, launch additional private investment funds in response to the evolving needs of its business and its clients.

Spruceview invests with a long-term investment approach using strategies that are tailored to the needs of its Clients. Investors in the Funds are not themselves Clients as a result of an investment in any Fund alone, and the management of each Fund will not necessarily be tailored to the needs of each individual investor within each Fund. Depending upon the Client’s objectives, Spruceview may construct a portfolio that is diversified across asset classes in both public and private markets, or a portfolio that is focused on particular asset classes. Spruceview implements its investment programs by making investments in public or private investment vehicles (“***Underlying Funds***”), co-investments, or accounts that invest in securities or other assets (such investments, together with Underlying Funds and co-investments, “***Underlying Investments***”) managed by unaffiliated third-party managers (“***Underlying Managers***”) selected by Spruceview, as well as direct investments in securities and other assets.

The offer and sale of limited partner interests in each Spruceview Fund (“**Interests**”) generally is made to prospective investors through a confidential offering memorandum (the “**Offering Memorandum**”) that is prepared for the applicable Fund and which provides information about the Fund’s objectives, strategies, risks, structure, costs, withdrawal terms and other matters of importance to investors. Additional information about Spruceview’s business, history, organization and other matters addressed in this Item 4 can be found in the Offering Memorandum and governing documents of each Spruceview Fund. Fund investors cannot impose restrictions on the types of securities in which their Spruceview Fund may invest.

In managing separate accounts, Spruceview tailors its investment approach to each Client’s objectives, which may include using substantially the same investment approaches as Spruceview uses in managing one or more of the Funds. Separate accounts may be managed on a discretionary or non-discretionary basis. Any requests for investment restrictions from Spruceview separate account Clients are addressed on a case-by-case basis.

In addition, Spruceview offers non-discretionary investment advisory and consulting services to institutional and family office Clients for which Spruceview has no authority or obligation to implement or direct the implementation of its advice.

As of December 31, 2019, Spruceview managed approximately \$ 852.9 million of Client assets on a discretionary basis. Please see Form ADV Part 1, Schedule D – Miscellaneous for a more complete description of Spruceview’s methodology in calculating the value of assets managed on a discretionary basis. The approximately \$852.9 million of Client assets noted above does not include approximately \$173.7 million of commitments made by Mexican pension plans to the Mexican trust which had not been committed to Ontario PE 2019 or other Spruceview Funds as of December 31, 2019. In addition, as of December 31, 2019, Spruceview had approximately \$1.1 billion in additional Client assets under advisement.

Item 5 Fees and Compensation

Fees

Clients for whom Spruceview provides discretionary investment management services are typically charged an asset-based management fee (the “**Management Fee**”) and/or a performance allocation or fee which are set forth in the Clients’ investment management agreements or in the Spruceview Funds’ respective Offering Memoranda or limited partnership agreement.

For the Spruceview Funds, the Management Fees are typically in the range of 0.35% to 1% per annum of limited partners’ capital commitments or capital contributions, or based on the sum of the invested capital and the unfunded capital commitments as of the end of each quarterly period. For some Spruceview Funds, the Management Fee may be reduced further based on a specified net amount of returned capital. The Management Fees for the respective Spruceview Funds may vary depending on the respective class of interests or the limited partners. Spruceview does not use a standard fee schedule for the Spruceview Funds. The Management Fees for the Spruceview Funds are calculated and paid quarterly in advance or in arrears depending on the applicable fund.

The fees and compensation paid by separate account Clients are generally negotiated on a case-by-case basis. Accordingly, Spruceview does not use a standard fee schedule for such Clients. Management Fees for separate account Clients are generally charged at annual rates and may be paid monthly or quarterly, in advance or in arrears, and may be billed to the Client or deducted from the Client's account, depending upon the agreement with the particular Client. In circumstances where a portion of a separate account Client's assets managed or advised by Spruceview are invested in a Spruceview Fund, Spruceview waives any Management Fees that would have been charged to the Client by the Spruceview Fund.

Spruceview bears certain expenses related to the services it provides to its Clients (e.g., employee compensation and benefits of all personnel of Spruceview, and rent, administrative, and other overhead charges and costs of any offices maintained by Spruceview). The Management Fee may exceed the expenses Spruceview bears in providing services to the Client.

Spruceview reserves the right to waive or reduce the Management Fees for its separate account Clients in its sole discretion. In addition, Spruceview, or the general partner of a Spruceview Fund, reserves the right to waive or reduce the Management Fees with respect to investments in the applicable Spruceview Fund in its sole discretion. The Spruceview Funds have waived, or intend to waive, the Management Fee for certain investors, including Spruceview employees.

In the event that a Client terminates its investment management agreement with Spruceview and the Client has agreed to pay its Management Fee in advance, the Management Fee will be pro-rated based upon the number of days elapsed in the applicable period prior to termination and the balance of the Management Fee collected would be refunded. In the event that a Client who has terminated its investment management agreement with Spruceview has assets invested in a Spruceview Fund, the Client would be subject to the withdrawal provisions of that Fund set forth in its Offering Memorandum, which may not permit the Client to withdraw its assets. In such circumstances, the Client would remain as an investor in the Spruceview Fund and would be subject to the fees charged by the Fund, which may be higher than the fees charged by Spruceview for management of the Client's assets in a separate account.

With respect to Clients for whom Spruceview provides investment advisory or consulting services for which Spruceview has not been engaged to execute transactions, Spruceview charges an asset-based fee or a fixed fee, which is billed in arrears on a frequency negotiated with the Client or quarterly in advance.

Expenses

As set forth in more detail in their respective Offering Memoranda or limited partnership agreement, each Spruceview Fund pays, or reimburses Spruceview or the Fund's general partner for, the Spruceview Fund's operating costs and expenses, including, without limitation: all expenses associated with the acquisition, negotiation, holding, restructuring, monitoring, liquidation and other disposition of the Fund's investments, whether or not consummated (including expenses that the general partner of the respective Fund reasonably determines to be directly related to the investment of the Fund's assets such as, but not limited to, the cost of any background checks, brokerage and other transaction costs, clearing and settlement charges, interest

and commitment fees on debit balances or borrowings), interest costs in connection with an investment in an Underlying Fund following such Underlying Fund's initial closing, the Management Fee, the costs and expenses of professionals providing services to the Fund, including legal, audit, administrative, custody, consulting, tax and accounting fees and expenses, litigation and indemnification expenses, statutory, regulatory or certain compliance costs, including Form PF filing fees and expenses, any issue or transfer taxes chargeable in connection with any securities transactions, any entity-level taxes, regulatory filing and license fees, fees and expenses relating to compliance with the U.S. legislation commonly referred to as the "Foreign Account Tax Compliance Act" or "FATCA" and the OECD Standard for Automatic Exchange of Financial Account Information—Common Reporting Standard (CRS), other similar tax and financial account reporting regimes, and anti-money laundering rules; costs of reporting and providing information to limited partners, including any meetings; borrowing costs relating to any borrowings incurred by the Fund; insurance expenses, including directors' and officers' insurance; out-of-pocket expenses incurred in connection with the collection of amounts due to the Fund from any person; and extraordinary expenses. SOF I, SOF II and Ontario PE 2019 also may pay, or reimburse Spruceview for, the travel expenses of Spruceview's personnel in selecting and monitoring Underlying Funds. Each Spruceview Fund also is generally responsible for reimbursing Spruceview for all costs and expenses incurred in connection with its organization and the offering of Interests (although caps on such expenses may apply). Fees owed to any financial advisor or placement agent in connection with the offering or sale of the Interests of a Fund are either paid by Spruceview or, if paid by the Fund, are offset against Spruceview's Management Fee. Please see Item 12 for additional information regarding brokerage costs.

Clients for whom Spruceview manages separate accounts are responsible for the expenses incurred on behalf of their accounts including, but not limited to, brokerage and other transaction costs, interest and taxes, as well as legal, accounting, audit, custody, administrative, appraisal or professional fees and expenses. Please see Item 12 for additional information regarding brokerage costs.

Each Underlying Investment in which a Spruceview Fund or separate account invests will have its own administrative, management, investment, brokerage (as applicable) and other fees and expenses, in addition to incentive fees, if any, which are charged against the Spruceview Fund's or separate account's assets. These fees and expenses are in addition to Spruceview's Management Fee and any incentive or performance fee.

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

Spruceview will receive a carried interest from Ontario PE 2019 equal to a percentage of all cumulative distributions subject to an 8% compound preferred return, as more fully described in the partnership agreement of Ontario PE 2019. The carried interest distributed to Spruceview is subject to potential clawback at the end of the life of the Fund if Spruceview has received excess cumulative distributions as provided in the limited partnership agreement. Spruceview's fee arrangements with other funds or separate account Clients may include performance-based fees, although it also manages Funds and separate accounts that do not pay performance-based fees. Spruceview's management of Funds or other Client accounts that pay performance-based fees at the same time that it is managing Funds or other Client accounts that do not pay performance-

based fees may create potential conflicts of interest. For example, Spruceview may have an incentive to favor Funds or other Client accounts that pay performance-based fees. Spruceview has adopted policies and procedures that are designed to address such conflicts of interest, including policies designed to ensure that investment opportunities are allocated equitably among Clients with similar investment objectives.

In addition, an Underlying Manager of an Underlying Investment in which a Spruceview Fund or a separate account Client invests may charge incentive or performance-based fees/allocations, which are borne by the Clients.

For a discussion of the potential conflicts of interest related to performance-based fee arrangements, see Item 8 – Risks - Incentive Allocations and Performance Fees.

Item 7 Types of Clients

Spruceview provides investment advisory services to the Spruceview Funds (and may in the future offer advisory services in respect of other pooled investment vehicles). Investors in the Spruceview Funds can include: pension and profit-sharing plans, trusts and estates, foundations/endowments and other educational and charitable organizations, family offices, qualified individuals and other sophisticated investors.

SOF II Founders Class Interests require an initial minimum capital commitment of \$1,000,000 and a minimum additional capital commitment amount of \$250,000, subject in each case to the discretion of its general partner to accept lesser amounts. SOF II Class A Interests require an initial capital commitment of \$250,000 and a minimum additional capital commitment amount of \$250,000, subject in each case to the discretion of its general partner to accept lesser amounts

Investors in all of the Spruceview Funds must meet certain legal eligibility requirements, which for U.S. investors includes, among others, meeting the definition of “accredited investors” as defined in Rule 501(a) of Regulation D under the Securities Act of 1933, “qualified purchasers” as defined in the Investment Company Act of 1940, or certain other regulatory eligibility requirements.

In addition, Spruceview offers investment advisory services in respect of separately managed accounts for pension and profit-sharing plans, foundations/endowments and other educational and charitable organizations, family offices, qualified individuals and other sophisticated investors.

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

Investment Strategies

The Funds’ investment strategies are described in detail in their respective Offering Memoranda or other governing documents. Spruceview’s strategies applicable to each separate account arrangement are tailored to each Client’s objectives. These strategies may involve investments across multiple asset classes, such as equities, fixed income, hedge funds, private equity, natural resources and/or real assets, or may be focused on only a single or a few asset classes, depending on the Client’s needs and objectives.

The investment objective of SOF I is to generate attractive risk-adjusted returns and meaningful current cash yield by seeking to capitalize on gaps in credit availability and mispriced investment opportunities in companies, assets, or other financial instruments issued and traded primarily in European markets. The Fund seeks to implement its strategy by making indirect investments in securities and other assets through Underlying Funds. The Underlying Funds are expected to focus on investing primarily in real estate distressed credit, real estate direct lending, direct corporate lending, and structured credit and equity. In addition, SOF I may invest in distressed credit hedge funds, private equity distressed credit and value-added infrastructure equity.

The investment objective of SOF II is to generate attractive risk-adjusted returns driven by private equity investments that seek to enhance value through capital appreciation. Spruceview intends to invest SOF II's assets in predominantly U.S.-focused, growth-oriented, lower middle-market buyout private equity funds that seek to capitalize on the growth prospects of the healthcare, technology, manufacturing and consumer sectors. SOF II will seek to implement its strategy by making indirect investments in securities and other assets through Underlying Funds. In addition, SOF II may purchase in secondary transactions ownership interests in Underlying Funds that meet the Fund's investment criteria.

Spruceview intends to invest the assets of Ontario PE 2019 in Underlying Funds managed by Underlying Managers, which may include both Underlying Funds that invest directly in privately held companies, investing in co-investments that are sponsored by Underlying Managers and executing secondary market transactions. The Underlying Funds held by Ontario PE 2019 are typically closed-end investment vehicles that buy, hold, and sell interests in privately-held companies or limited partnership interests in other funds. Spruceview seeks to diversify the portfolio of the Ontario PE 2019 across different investment strategies, which may include Underlying Funds investing in buyouts, growth capital, venture capital, special situations and credit, and select other strategies such as real estate and infrastructure.

Spruceview's investment process focuses on top down research to identify and monitor investment themes driven by market dislocations, coupled with identification of Underlying Investments and other investment opportunities from bottom up research.

Spruceview does not intend to borrow to leverage its Clients' portfolios as part of its investment strategy. However, the Funds may borrow for liquidity purposes (e.g. to meet capital calls by Underlying Investments, to effect rebalancing or redemptions or to address short-term trading and settlement issues). In addition, Clients may be exposed to economic leverage through derivatives and other investments even if Spruceview does not borrow on their behalf. In addition, Underlying Investments may borrow money to leverage their investments and may engage in techniques that have the effect of economic leverage (e.g. certain derivatives, short sales and similar activities).

Material Risks

An investment in the Funds and, in general, any Spruceview-managed separate account involves a variety of risks, including risks customarily associated with investing in equity securities. Although Spruceview manages assets in a manner consistent with certain risk tolerances, there can be no guarantee that its efforts will be successful. Investing in securities involves risk of loss

which Clients and investors should be prepared to bear. Set forth below is a summary of material risks involved in the strategies and securities in which the Funds or other Clients may invest. **Additional risks associated with an investment in the Funds are described in their respective Offering Memoranda.**

Investment Approach

The investment strategies applicable to each of the Funds and Spruceview's separate accounts are tailored to each Client's objectives. However, there can be no guarantee that any proposed investment strategy will be successful. If an investment strategy does not succeed as planned, it is possible that the Fund or separate account will have poor investment returns or that the level of risk associated with an investment in the Fund or separate account will be higher than anticipated.

Lack of Liquidity

Certain of the investments made by Spruceview on behalf of its Clients may be illiquid and long term, and there can be no assurance that the Client will be able to realize the value of such investments or otherwise be able to affect a successful realization event or exit strategy. Illiquidity may result from a number of factors, including the absence of an established market for investments, as well as from legal or contractual restrictions on their resale. The absence of a trading market can make it difficult to ascertain a market value for illiquid investments, and to the extent such illiquid investments are Underlying Funds, Spruceview expects to rely on the value reported by the administrator or manager of such Underlying Fund. Moreover, it is common for the Underlying Funds to impose restrictions on Spruceview's ability to redeem its Clients' investments through lock-up periods, redemption gates, the ability to use side pockets and the right to suspend or limit redemptions generally. In addition, Underlying Funds that follow private equity strategies generally do not permit their investors to withdraw capital from the fund; rather, distributions are made to investors as the Underlying Fund exits its investments, which may take several years. Disposing of certain illiquid investments may involve time consuming negotiation and legal expenses, and it may be difficult or impossible for Spruceview to sell such investments promptly at an acceptable price. The Funds or separate accounts may also receive distributions of securities that cannot be sold except pursuant to a registration statement filed under applicable federal and state securities laws or unless an exemption from such laws is available. There can be no assurance that a Fund or separate account will be able to divest or otherwise dispose of all of its investments prior to dissolution or termination of the account, which may require the Fund or account to make in-kind distributions.

Fund Redemptions or Account Withdrawals May Require an Exit from Otherwise Attractive Investments

Certain Underlying Investments may require a minimum continuing investment. If, to satisfy Fund redemption requests or withdrawals from a separate account, the Fund or account were required to redeem such investments below their required minimum investment level, the Fund or account may be required to liquidate such investments in their entirety and eliminate such investments from its portfolio.

Incentive Allocations and Performance Fees

Entitlement to performance fees or incentive allocations for a particular Client creates a potential conflict of interest in that Spruceview may have an incentive to make investments that are riskier or more speculative than would be the case if the applicable general partner or Spruceview were not entitled to the performance or incentive allocation or performance fee. In addition, entitlement to performance fees or incentive allocations creates a potential conflict of interest in that Spruceview may favor accounts with performance fees over accounts that do not have performance fee arrangements by allocating more profitable trading opportunities to the accounts with performance fees. Moreover, the applicable general partner or Spruceview may receive a performance or incentive allocation, or performance fee, respectively, with respect to unrealized appreciation as well as realized gains on the securities in a Fund's or separate account's portfolio. Spruceview has adopted policies and procedures that are designed to address such conflicts of interest, including policies designed to ensure that investment opportunities are suitable for its Clients and are allocated equitably among Clients with similar investment objectives.

Underlying Investments; Compensation Arrangements

On behalf of its Clients, Spruceview invests in pooled investment vehicles and certain marketable investments managed by investment managers unrelated to and outside of the control of Spruceview. Finding, selecting and investing in vehicles managed by other managers is a complex process. In determining how to invest its Clients' capital in other private investment vehicles, Spruceview will look for Underlying Managers whose investment strategies are expected to offer superior returns, considering both objective information relating to such Underlying Managers (such as historical performance data) and subjective information. However, there can be no guarantee that Spruceview's assessment of any Underlying Manager will be accurate. In particular, there can be no assurance that past performance data or other objective or subjective information relating to an Underlying Manager will provide any indication as to how private investment vehicles managed by such Underlying Manager will perform in the future. Even if Spruceview is able to accurately identify Underlying Managers whose Underlying Investments are likely to produce attractive returns, there can be no assurance that Spruceview's Clients will be able to invest in such Underlying Investments.

Spruceview does not have any role in the day to day management of the Underlying Investments or the assets managed by the Underlying Managers. Moreover, Spruceview does not have the opportunity to evaluate the specific investments made by any Underlying Investment prior to the consummation of such investments. While considering an Underlying Investment for a Fund or separate account, and during the period a Fund or account holds such an investment, Spruceview will often have only a limited opportunity to confirm the accuracy of information received from Underlying Managers. Underlying Investments may carry their investments at cost or may employ another valuation method that may differ from the fair market value of such investments. Generally, there will be no independent pricing source for interests in Underlying Investments. The returns of the Funds and separate accounts depend in part on the performance of these unrelated investment managers over which Spruceview has no control, and could be adversely affected by the unfavorable performance of one or more investment managers.

Underlying Investments and Underlying Managers charge management and/or performance fees and are reimbursed for certain expenses. To the extent a Fund or account pays such fees and expenses, the limited partners in the Fund or separate account Clients will indirectly bear a portion

of such fees and expenses. This will result in greater expense than if an investor invested directly in the Underlying Investment.

Estimated Valuations; Delays in Reporting

In many cases Spruceview will have little ability to assure the accuracy or timing of the valuations received from the Underlying Investments. The valuations received from such Underlying Investments will typically be estimates only, subject to revision through the end of the applicable annual audit. As a result, valuations of the assets held in Client accounts may be subject to revision, and valuation reports may be subject to delays.

Limited Regulatory Oversight

Certain Underlying Investments which Spruceview recommends or in which the Funds invest may not be registered as investment companies, and Clients, in turn, are not provided the protections of the Investment Company Act of 1940. Therefore, a Client invested in an Underlying Investment may not have the benefit of certain protections otherwise afforded to investors had an Underlying Investment been more heavily regulated.

Limited Access to Information

Although Spruceview will receive detailed information from Underlying Managers regarding historical performance and investment strategy, in most cases Spruceview has little or no means of independently verifying this information. An Underlying Manager may use proprietary investment strategies that are not fully disclosed to Spruceview, which may involve risks under some market conditions that are not anticipated by Spruceview. The investment strategies and styles used by an Underlying Manager may be subject to change without notice. For information about an Underlying Investment's net asset value and portfolio composition, Spruceview is dependent on information provided by the Underlying Manager which, if inaccurate, could adversely affect Spruceview's ability to manage its Clients' investment portfolios in accordance with their investment objectives and to accurately value the Funds' Interests. Furthermore, certain Underlying Managers may provide only limited information to Spruceview about the Underlying Investment's portfolio, which may limit Spruceview's ability to assess the investment risks applicable to such Underlying Investment in the context of the Client's portfolio as a whole.

Risk of Loss of Capital

The performance of securities in which a Fund or separate accounts invests, and therefore the value of the Fund or account, will be subject to many factors over which Spruceview may have limited or no control. The possibility of loss of capital will exist, and prospective investors should not subscribe for Interests or open a separate account unless they can bear the consequences of such loss.

Risk of General Economic and Market Conditions

General economic or market conditions may adversely affect the Funds and other Client accounts. For example, these factors may include changes in interest rates, availability of credit, changes in inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls,

and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of securities prices and the liquidity of an account's investments. High volatility or illiquidity could impair an account's profitability or result in losses. Spruceview's Clients and Underlying Investments may maintain positions that can be adversely affected by the level of volatility in the financial markets. In addition, volatile markets and credit risk may give rise to the risk of default by one or more large financial institutions that are dependent upon one another for liquidity and operational needs, and a default by one such institution may cause a series of defaults by others, including counterparties of Client accounts or Underlying Investments, the prime brokers and/or futures commission merchants of the accounts or Underlying Investments (if any) and other institutions to which Client accounts or Underlying Investments have exposure, which could in turn adversely affect the accounts.

In addition, a downturn or contraction in the economy or in the capital markets, or in certain industries or regions of the world, may restrict the availability of suitable investment opportunities for the Funds and other Client accounts or their Underlying Investments and/or the opportunity to liquidate any such investments, each of which could prevent an account from meeting its investment objectives. A general economic downturn (such as that experienced by the global financial markets starting in 2008) could also result in the diminution or loss of the investments made by the accounts and their Underlying Investments. Recovery from such downturns may last for an extended period of time, and the accounts may experience poor performance over such period.

General Risks Associated with Investments

On behalf of its Clients, Spruceview expects to invest in a broad range of asset classes, geographies, strategies and sectors, depending upon each Client's investment objectives. Identifying and participating in attractive investment opportunities and balancing investments across multiple asset classes, geographies, strategies and sectors over time is difficult. There is no assurance that the investments made by the accounts will be profitable. Any return on investment will depend upon successful asset allocation and investments made on behalf of the accounts by Spruceview. Many investment decisions by Spruceview will be dependent upon its ability to obtain relevant information from multiple sources (including non-public sources) and synthesize significant amounts of information relating to the wide range of permissible investments. Spruceview often will be required to make decisions without complete information or in reliance upon information provided by third parties that is impossible or impracticable to verify. The performance of Client accounts and their investments will depend upon many factors beyond the control of Spruceview. For example, the accounts are expected to invest a significant portion of their capital in Underlying Investments. Underlying Investments may have substantial variations in operating results from period to period, face intense competition, and experience failures or substantial declines in value at any stage.

Competition

Spruceview and the Underlying Investments will compete for investment opportunities with other established funds and investment organizations that have substantial resources and experience. Moreover, the volume of attractive investment opportunities varies greatly from period to period.

There can be no assurance that Spruceview or the Underlying Investments will be able to make investments on attractive terms or in accordance with their preferred timing.

Reliance on Third Parties

Spruceview will require, and rely upon, the services of a variety of third parties, including but not limited to attorneys, accountants, brokers, custodians, administrators and other agents. Failure by any of these third parties to perform their duties or otherwise satisfy their obligations could have a material adverse effect upon Spruceview and its Clients.

Non-U.S. Investments

Where permitted by an account's investment policies, Spruceview may invest in securities issued by non-U.S. companies on behalf of its Clients. These may include both U.S. dollar denominated and local currency denominated securities issued by non-U.S. entities, or in derivatives on such instruments or securities. Such investments have risks associated with political and economic developments, higher operating expenses, exchange controls, currency fluctuations, foreign withholding and other taxes which may reduce investment return, reduced availability of public information concerning issuers and the fact that foreign issuers are not generally subject to uniform accounting, auditing and financial reporting standards or to other regulatory practices and requirements comparable to those applicable to U.S. chartered issuers. Securities of many non-U.S. issuers may be less liquid and their prices more volatile than those of securities of comparable U.S. issuers. Transaction costs for non-U.S. securities are generally higher than for comparable securities issued in the U.S. Where permitted, Spruceview may engage in certain hedging activities on behalf of its Clients intended to reduce certain of the risks described above and such hedging activities may present certain risks of their own.

Where permitted by an account's investment policies, Spruceview may invest a portion of an account's assets in developing countries, or in countries with new or developing capital markets, for example, nations in Eastern Europe, Latin America and the Pacific Rim. The considerations noted above are generally heightened for these investments. These countries may have relatively unstable governments, economies based on only a few industries, and inefficient securities markets. Securities of issuers located in these countries tend to have volatile prices and may offer significant potential for loss as well as gain.

Concentration and Industry Risks

Where permitted by an account's investment policies, Spruceview may invest in Underlying Investments that concentrate in a particular geographical region, market capitalization range or industry. Such concentration may expose the account and such Underlying Investments to losses disproportionate to those incurred by the market in general. For example, the operating results and ability to make distributions of an Underlying Investment that focuses on a particular geographical region could be impacted by economic changes specifically affecting the markets in that area. As an example of industry-specific risk, companies in the healthcare industry are subject to extensive governmental regulation which may change in a way that is adverse to the industry. This industry is characterized by extensive research and development costs, product failure and product liability risks. Accordingly, a Fund or other Client account following a strategy of concentrating in a

particular geographical region, market capitalization range or industry therefore may be subject to greater risk than a more diversified portfolio.

Less Established Companies

Where permitted by an account's investment policies, Spruceview may invest in Underlying Investments that invest a portion of their assets in the securities of less established or start-up companies. Investment in such portfolio companies may involve greater risks than are generally associated with investments in more established companies. For example, such companies may have shorter operating histories on which to judge future performance and if operating, may have negative cash flow. In the case of start-up enterprises, such companies may not have significant or any operating revenues. Such companies also may have a lower capitalization and fewer resources (including cash) and be more vulnerable to failure, which could result in a loss of some or all of the account's investment in any such company. In addition, less mature companies could be more susceptible to irregular accounting or other fraudulent practices. In the event of fraud by any company in which the Underlying Investments invest, the Underlying Investment may suffer a partial or total loss of capital invested in that company.

Smaller and Mid-Market Companies

Where permitted by an account's investment policies, Spruceview may invest in Underlying Investments that invest in lower-middle-market companies. While such companies often have potential for rapid growth, they often involve higher risks because they may lack the management experience, financial resources, product diversification, and competitive strength of larger companies. These factors related to investing in lower-middle-market companies may have an adverse effect on the Underlying Investment's performance.

Investments in Convertible Securities and Equity-Related Convertible Securities

Where permitted by an account's investment policies, Spruceview may invest in Underlying Investments that invest in convertible securities and equity-related convertible securities. Convertible securities are equities, bonds, debentures, preferred stocks or other securities that may be converted into or exchanged for a specified fixed or variable amount of common stock of the same or different issuer within a particular period of time at a specified price or formula. A convertible security entitles the holder to receive interest that is generally paid or accrued on debt or a dividend that is paid or accrued on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Convertible securities have unique investment characteristics in that they generally (i) have higher yields than common stocks, but lower yields than comparable non-convertible securities, (ii) are less subject to fluctuation in value than the underlying common stock due to their fixed-income characteristics and (iii) provide the potential for capital appreciation if the value of the underlying common stock increases. The value of a convertible security is a function of its "investment value" (determined by its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege) and its "conversion value" (the security's worth, at market value, if converted into the underlying common stock). The investment value of a convertible security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing

as interest rates decline. The credit standing of the issuer and other factors may also have an effect on the convertible security's investment value. The conversion value of a convertible security is determined by the value of the underlying common stock. If the conversion value is low relative to the investment value, the value of the convertible security is influenced principally by its investment value. To the extent the value of the underlying common stock approaches or exceeds the conversion price, the value of the convertible security will be increasingly influenced by its conversion value. A convertible security generally will sell at a premium over its conversion value by the extent to which investors place value on the right to acquire the underlying common stock while holding a fixed-income security. Generally, the amount of the premium decreases as the convertible security approaches maturity. A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by an Underlying Investment is called for redemption, an Underlying Investment will be required, depending on the terms of the security, to permit the issuer to redeem the security, convert it into the underlying common stock, or sell it to a third party. Any of these actions could have an adverse effect on the Underlying Investment's ability to meet its investment objective.

Currency Hedging

The accounts Spruceview manages for Clients located in a particular country generally are denominated in the currency of that country. Investments in Underlying Investments which are denominated in currencies other than the Client's home currency are subject to the risk that the value of a particular currency will change in relation to the Client's home currency. Depending upon its agreement with the particular Client, Spruceview may have the authority to hedge such risk through the use of certain derivative instruments. The costs of such hedging strategies and the risks associated therewith will be borne by the Client's account. If Spruceview is authorized to engage in currency hedging for a particular Client's account, there is no assurance that the account will be hedged against currency exchange risks or that such hedging strategies, if used, will be successfully implemented or maintained. Therefore, while Spruceview may enter into such transactions to reduce currency exchange risks, if the currency transactions are incorrectly matched, such transactions could have an adverse effect on the performance of the account, or could only partly hedge the risks associated with fluctuations in currency value. Furthermore, perfect hedges do not exist and there can be no assurance that such hedging transactions will be effective. Each Client will bear any risk of any foreign currency exposure resulting from changes, if any, in the value of foreign currencies relative to the value of the currency in which the Client maintains its net worth.

Hedging Transactions

An Underlying Fund may utilize certain financial instruments such as derivatives, options, interest rate swaps, caps and floors and forward contracts for risk management purposes. Hedging also involves special risks including the possible default by the other party to the transaction, illiquidity and, to the extent that the Underlying Manager's assessment of certain market movements is incorrect, the risk that the use of hedging could result in losses greater than if hedging had not been used. Such Underlying Fund is subject to the risk of failure or default by the counterparty to such a transaction. The Underlying Fund will have contractual remedies pursuant to the agreements

related to the transaction (which may or may not be meaningful depending on the financial position of the defaulting counterparty).

Leverage

Spruceview does not intend to borrow to leverage its Clients' portfolios as part of their investment strategy. However, Client portfolios may be exposed to economic leverage through derivatives and other investments even if they do not borrow. For example, the portfolio investments of Underlying Funds that follow private equity strategies may employ significant leverage and/or credit risk. Such portfolio investments may include companies whose capital structures have significant leverage, such as would be the case following a leveraged buyout or management buying transaction. The leveraged capital structure of such portfolio investments would increase their exposure to adverse economic factors such as rising interest rates, downturns in the economy or deterioration in the condition of the portfolio company or its industry. In addition, Underlying Managers may borrow money to leverage their investments and may engage in techniques that have the effect of economic leverage (e.g., certain derivatives, short sales and similar activities). The Funds and separate accounts may be exposed to risks associated with the use of leverage, such as the risk that leverage could have a negative effect on returns, the risk of default and the risk of decreased liquidity. While leverage presents opportunities for increasing total return, it also has the effect of potentially increasing losses. Leverage will exaggerate the effect of any increase or decrease in the value of the assets in an account or Underlying Investment and, therefore, may increase the volatility of performance. The costs associated with leverage (such as transaction costs associated with the use of derivatives) may exceed the income received from the securities purchased or sold through leverage. There can be no assurance that an account or any Underlying Investment will be able to leverage its investments effectively.

If an account or any Underlying Investment has insufficient cash to meet variations in margin (or collateral) requirements or similar payment obligations with respect to the use of leverage, it may have to sell securities to meet such requirements or risk falling into default. Should an account or such Underlying Investment fail to meet these requirements, the applicable counterparties may liquidate positions held by the account or an Underlying Investment. In any of these cases, such sales may be made at prices or in circumstances that are unfavorable.

Debt Securities

Fixed-income securities in which an account or Underlying Fund may invest include bonds, debentures, and other corporate or government obligations. The price of a fixed income security may fall as a result of adverse events involving the issuer of the security, changes in interest rates or other adverse economic or political events. An increase in interest rates tends to reduce the market value of debt securities, while a decline in interest rates tends to increase their values. Securities with longer durations tend to be more sensitive to interest rate changes than securities with shorter durations. Fixed income securities may not deliver their expected yield as a result of these and other factors.

Credit Risk

Where permitted by an account's investment policies, Spruceview may invest directly and indirectly in securities that are either not rated or are rated in the lower rating categories by various credit rating agencies. Securities in the lower rated categories are subject to greater risk of loss of principal and interest than higher-rated securities, particularly in the case of a deterioration in general economic conditions.

Counterparty Creditworthiness

Where permitted by its investment policies, an account may invest directly and indirectly in securities, commodities and other financial instruments that involve counterparties. Further, the account and/or the Underlying Managers may not be required to evaluate the creditworthiness of a counterparty. Under certain conditions, a counterparty to a transaction could default or the market for certain securities, commodities or other financial instruments may become illiquid. In any case, the account and the Underlying Investments could experience liquidity problems and investment losses.

Short Sales

Spruceview and Underlying Managers may sell securities short directly or indirectly on behalf of a Client account. Selling securities short risks losing an amount greater than the proceeds received. Theoretically, securities sold short are subject to unlimited risk of loss because there is no limit on the appreciation of the price of a security before the short position is closed. In addition, the supply of securities that can be borrowed fluctuates from time to time. The Underlying Investments may be subject to losses if a security lender demands return of the loaned securities and an alternative lending source cannot be found or if the Underlying Managers are otherwise unable to borrow securities that are necessary to cover their positions.

Options

Spruceview and certain Underlying Managers may use options in furtherance of their investment strategies directly or indirectly on behalf of an account. Options positions may include both long positions, where an account or Underlying Manager is the holder of put or call options, as well as short positions, where an account or Underlying Manager is the seller (writer) of an option. Although option techniques can increase investment return, they can also involve a relatively high level of risk. The expiration of unexercised long options effectively results in loss of the entire cost, or premium paid for the option. Conversely, the writing of an uncovered put or call option can involve, similar to short selling, a theoretically unlimited risk of an increase in the account's or Underlying Manager's cost of selling or purchasing the underlying securities, commodities or other instruments in the event of exercise of the option.

Forward Contract Markets

Spruceview and the Underlying Managers may trade forward contracts (and options on forward contracts) directly or indirectly on behalf of an account. These securities are not traded on exchanges and are individually negotiated. The principals in forward contract markets are not required to continue to make such markets or to continue to deal in forward contracts of all currencies and/or commodities. In addition, forward contract markets are subject to significant disruptions, including through the intervention of governmental authorities. Therefore, accounts

that trade forward contracts may experience liquidity or other problems, and may incur substantial losses on such investments.

Bank Loans and Loan Participations

An account or Underlying Fund may invest in corporate bank debt (“**Bank Loans**”) and participations therein originated by banks and other financial institutions. It is anticipated that such Bank Loans will primarily be term loans, may pay interest at a fixed or floating rate and may be senior or subordinated. Purchasers of Bank Loans are predominantly commercial banks, investment funds and investment banks and there can be no assurance that current levels of supply and demand in Bank Loan trading will provide an adequate degree of liquidity. An account or Underlying Fund may acquire interests in Bank Loans either directly (by way of sale or assignment) or indirectly (by way of participation or other derivative contract). The purchaser of an assignment typically succeeds to all the rights and obligations of the assigning institution and becomes a lender under the credit agreement with respect to the debt obligation; however, its rights can be more restricted than those of the assigning institution. Participation interests in a portion of a debt obligation typically result in a contractual relationship only with the institution participating out the interest, not with the borrower. In purchasing participations and other derivatives, an account or Underlying Manager will generally have no right to enforce compliance by the borrower with the terms of the loan agreement, nor any rights of set-off against the borrower, and the account or Underlying Fund may not directly benefit from the collateral supporting the debt obligation in which it has purchased the participation. As a result, the account or Underlying Fund will assume the credit risk of both the borrower and the institution selling the participation or other derivative contract.

Loan Risk

The value of the assets which underlie the loans of an account or Underlying Fund are subject to market conditions. Changes in the market may adversely affect the value of the collateral and thereby lower the value to be derived from liquidation. In addition, loans have, and in the future may, become non-performing for a wide variety of reasons and may require a substantial amount of workout negotiations and/or restructuring, which may entail, among other things, a substantial reduction in the interest rate, capitalization of interest payments and a substantial write-down of the principal of the loan. Moreover, even if such restructuring is successfully accomplished, a risk exists that upon maturity of such loan, replacement “take-out” financing will not be available.

Structured Credit Products

Special risks may be associated with an account’s or Underlying Fund’s investments in structured credit products — i.e., collateralized debt obligations, synthetic credit portfolio transactions and asset-backed securities. For example, synthetic portfolio transactions may be structured with two or more tranches, each of which receives different proportions of the interest and principal distributions on a pool of credit assets. The yield to maturity of any given tranche may be extremely sensitive to the default rate in the underlying reference portfolio.

Distressed Securities and Loans

An account or Underlying Manager may invest in securities and loans issued by companies in weak and/or deteriorating financial condition, experiencing poor operating results, needing substantial capital investment, perhaps having negative net worth, facing special competitive or product obsolescence problems or involved in bankruptcy or reorganization proceedings. Investments of this type may involve substantial financial and business risks, which are often heightened by an inability to obtain reliable information about the issuers. Such investments can result in significant or even total losses. In addition, the markets for distressed and high-yield securities are at times illiquid.

Special Situations

An account or Underlying Manager may have investments in issuers involved in (or the target of) acquisition attempts or tender offers or issuers involved in work outs, liquidations, spin offs, reorganizations, bankruptcies and similar transactions. In any investment opportunity involving any such type of business enterprise, there exists the risk that the transaction in which such business enterprise is involved will be unsuccessful, will take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price paid by the account or Underlying Investment for the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, an account or Underlying Investment may be required to sell its investment at a loss. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled issuers in which an account or Underlying Investment may invest, there is a potential risk of loss by the account or Underlying Investment of its entire investment in such issuers.

General Risks of Investments in Private Equity or Real Estate

The accounts and Underlying Funds that pursue private equity or real estate investment strategies are subject to all of the risks inherent in investing in private equity, private equity-related or real estate and real estate-related investments, which risks may be increased by an Underlying Fund's use of leverage. These risks include, without limitation: liquidity risk, as these investments are highly illiquid; general macroeconomic, microeconomic and local economic risk associated with an industry or asset class; fluctuations in valuations of a company, asset, operating business or real estate values, the financial resources of the company or for real estate the tenants, vacancies, rent strikes, changes in tax, zoning, building, environmental and other applicable laws, rent control laws, real property tax rates; changes in interest rates and the availability of mortgage funds; and the ability of the company or asset to obtain financing or extend its financing. Such risks also include fluctuations in occupancy rates, rent schedules and operating expenses, or cost of operating the asset or company which could adversely affect the value of the properties as well as the ability for a management team to optimally or effectively operate or manage the asset or company or control the costs associated with operating or managing the asset or company. There can be no assurance of profitable operations for any private equity investment or real estate property or the repayment of any debt investment made by an account or Underlying Fund. The cost of operating a property may exceed the rental income, EBITDA or cash flow it generates, and the account or Underlying Fund may have to advance funds to protect an equity investment, forgo the receipt of

interest income on debt investments, or may be required to dispose of investments on disadvantageous terms if necessary to raise needed funds.

Co-Investments

Spruceview may invest Client assets in direct co-investments in private companies. Co-investments are investments into companies outside of a pooled partnership structure alongside an Underlying Fund's investments in a company or independent deal sponsor. Co-investments typically call the invested capital quickly and may help mitigate the lower, shorter-term performance in a private equity account. Co-investments may allow for access to private investments with lower fees than through a fund structure, but may provide less diversification due to the concentrated nature of the invested capital. These investments are expected to be minority investments.

These types of private equity investments usually consist of securities that will be held for several years. Upon sale of the securities, cash will generally be distributed to the Client. Due to the number of investors seeking to gain access to underlying funds and co-investment opportunities managed or sponsored by the high quality managers, there can be no assurance that Spruceview will be able to secure the opportunity to invest its Clients in all of the co-investments it selects, or that the size of the co-investments available to Spruceview Clients will be as large as desired.

Control of Portfolio Companies

An account or Underlying Fund that pursues a private equity strategy (alone, or together with other investors) may be deemed to have a control position with respect to some portfolio companies in which it invests which could expose it to liabilities not normally associated with minority equity investments, such as additional risks of liability for environmental damage, product defects, failure to supervise management, violation of governmental regulations and other types of liability in which the limited liability generally characteristic of business operations may be ignored.

Natural Resources Investing Risk

Spruceview may invest Client assets in Underlying Funds or companies that invest directly in commodities and natural resources. The production and marketing of commodities, energy and natural resources may be affected by actions and changes in governments and may be subject to broad price fluctuations. Some of these companies may also be subject to the risks of mining and oil drilling, and the risks of other hazards, such as fire and drought, as well as construction risks, costs of pollution and waste disposal, and general project and operating risks. Furthermore, certain natural resources are geographically concentrated, and political and other events in those parts of the world may affect their values. The natural resources industries are extensively regulated, which could lead to increased costs, penalties or fines or adversely affect investments in these industries. Securities issued by Underlying Funds investing in natural resources investments may be more illiquid than securities issued by other Underlying Funds generally because natural resources investments may be less liquid than other types of investments.

Infrastructure Investing Risk

Spruceview may invest Client assets in Underlying Funds or companies that make infrastructure-related investments. These infrastructure-related investments have greater exposure to adverse economic, regulatory, political, legal and other changes than ordinary operating company investments and may be subject to broad price fluctuations. Securities issued by Underlying Funds investing in infrastructure investments may be more illiquid than securities issued by other Underlying Funds generally because infrastructure investments may be less liquid than other types of investments.

Quantitative Models

Certain Underlying Funds in which an account invests may trade on the basis of non-discretionary mathematical trading models. Generally, such models are programmed to identify investment opportunities based on the occurrence of specified events and/or situations. Should such events and/or situations not occur, the models may not generate any investment opportunities and/or profits. Further, the reliance on a model may cause an Underlying Fund to not act on the occurrence of an event and/or situation that would otherwise cause the Underlying Fund to act.

Retention and Motivation of Key Employees

The performance of Client accounts is largely dependent on the talents and efforts of highly skilled individuals employed by Spruceview and by the Underlying Managers it selects. Competition in the financial services industry for qualified employees is intense. The ability of Spruceview to effectively manage Client accounts depends on its ability to attract, retain and motivate its principals and employees and, similarly, the ability of the Underlying Managers to attract, retain and motivate their principals and employees.

Cybersecurity Risk

With the increased use of technologies such as the Internet to conduct business, Spruceview, its Client accounts and Underlying Managers are susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through “hacking” or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. In addition, electronic communications (such as emails) may be accessed or interfered with by persons other than the intended recipients, or may contain computer viruses or other malware. Cyber attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber incidents affecting Spruceview’s, its Clients’ or Underlying Managers’ service providers have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with the ability to value securities or other investments, impediments to trading, the inability of Clients or Fund investors to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting counterparties with which Spruceview, its Client accounts or Underlying Managers engage in transactions, governmental and other

regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and service providers) and other parties. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future. While Spruceview's and the Fund's key service providers have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, Spruceview and the Funds cannot control the cyber security plans and systems put in place by their service providers or any other third parties whose operations may affect Clients or Fund investors. Clients and Fund investors could be negatively impacted as a result.

Item 9 Disciplinary Information

Neither Spruceview nor any of its management personnel has been involved in any legal or disciplinary events that would be material to a Client's or a prospective Client's evaluation of its advisory business or the integrity of its management.

Item 10 Other Financial Industry Activities and Affiliations

Spruceview is not registered and does not have an application pending for registration as a securities broker-dealer, registered representative of a broker-dealer, futures commission merchant, commodity pool operator or commodity trading advisor. Spruceview does not have any arrangements with a related person who is a broker-dealer, investment company, other investment adviser, financial planning firm, commodity pool operator, commodity trading adviser, futures commission merchant, bank or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer, or an entity that creates or packages investment vehicles except as described below.

Advisory Board

Spruceview has access to an Advisory Board of experts on issues related to the management of investment funds and the business of Spruceview. The members of the Advisory Board are appointed by Spruceview, act as advisors to Spruceview and have no fiduciary or other duties to the Funds, their general partners or any Spruceview separate account Client. The Advisory Board does not have any authority or control over Spruceview's day-to-day operations, investment decisions or other activities that relate to the management of the Funds or Spruceview's separate accounts.

Members of the Advisory Board are not obligated in any way to offer investment opportunities to any Spruceview Fund or Client, or to favor any Spruceview Fund or Client over other funds or accounts in which they may be involved, have an interest or advise. No member of the Advisory Board shall have any liability to any Spruceview Fund, Spruceview Fund investor or any Spruceview separate account Client for any act or omission relating to the performance of his or her duties as a member of the Advisory Board.

Members of the Advisory Board may be affiliated with banks, insurance companies, private fund investment management firms, other investment advisory firms, pooled investment vehicles or other institutions or businesses.

Spruceview Owners

A substantial portion of the ownership interest in Spruceview is held indirectly by passive owners. Spruceview may consult with these owners with respect to matters that affect Spruceview, but they do not have any authority or control over Spruceview's day-to-day operations, investment decisions or other activities that relate to management of the Funds or Spruceview's separate accounts. An affiliate of these owners has sub-leased space to Spruceview in New York, and the parties coordinate compliance activities to ensure that the businesses operate independently. As passive investors, these owners have no fiduciary or other obligations or duties with respect to any Clients of Spruceview, including the Funds, and have no obligations or duties to investors in the Funds.

Related Party Transactions

The Funds and other Clients of Spruceview may make investments in, co-invest with, or otherwise enter into transactions with, limited partners of the Funds, their respective affiliates (including without limitation Spruceview's owners and their respective affiliates) or other parties advised by Spruceview (together, "***Related Parties***"). Conflicts of interest may arise in a number of different situations involving such transactions and similar transactions, including, without limitation, where (i) a Fund or another Spruceview Client purchases securities from, or sells securities to, any Related Party, (ii) a Fund or another Spruceview Client invests in an existing investment held by a Related Party, (iii) a Fund, another Spruceview Client or Related Party invests in different securities issued by the same company (e.g., debt and equity), or (iv) a Related Party disposes of an investment and a Fund or another Spruceview Client continues to hold that investment (or vice versa). Spruceview will use its reasonable judgment (acting with the same standard of care owed by Spruceview as provided in the Funds' organizational documents and Spruceview's agreements with its other Clients, and taking such factors into consideration as Spruceview, in its sole discretion, deems relevant), when resolving conflicts of interest that arise in connection with Related Party transactions.

Management of Multiple Funds and Client Accounts

Spruceview serves as investment manager or adviser to the Funds and other Client accounts. Investment decisions for the Fund and for such other Client accounts are made with a view to achieving their respective investment objectives and after consideration of certain factors which may include their current holdings, the current investment views of the different Underlying Managers, availability of cash for investment, and the size of their positions generally. Spruceview may give advice or take action with respect to one or more Clients that differs from the advice given with respect to other Clients. To the extent a particular investment is suitable for multiple Clients, such investments may be allocated among the Clients in a manner which Spruceview, in its sole discretion, determines is fair and appropriate under the circumstances to all relevant Clients. A particular investment may be bought or sold for only one Client, or in different amounts and at different times for more than one but less than all Clients, and a particular Client may or

may not be included in such purchase or sale. Likewise, a particular investment may be bought for a Client when one or more other Clients are selling the same security. In addition, purchases or sales of the same investment may be made for two or more Clients on the same date. Certain Clients have different terms, fees (including incentive fees) and investment objectives than other Clients. In such events, such transactions will be allocated among the Clients in a manner believed by Spruceview to be equitable to each. Purchase and sale orders for Clients may be combined with those of other Clients. A Client may receive the average price if transactions are aggregated. In effecting transactions, it may not always be possible, or consistent with the possibly differing investment objectives of the various Clients, to take or liquidate the same investment positions at the same time or at the same prices.

Time and Attention

Spruceview and its officers and employees devote as much of their time to the activities of the Spruceview Funds and other Clients as Spruceview deems necessary and appropriate. Such persons are not restricted from forming additional investment funds, from entering into other investment advisory relationships, or from engaging in other business activities, even though such activities may involve investment objectives or strategies that are the same as or similar to the Spruceview Funds or Client accounts. These activities could be viewed as creating a conflict of interest, in that the time and effort of such persons will not be devoted exclusively to the business of the Spruceview Funds or any particular Client account.

In addition, subject to certain restrictions and limitations, Spruceview and its respective principals, owners, or employees may engage in investment activities for their own accounts and for family members and others, subject to certain pre-clearance and ongoing reporting requirements.

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

Code of Ethics

Spruceview requires all of its employees to act in an ethical manner, regardless of their role or seniority in the organization. In furtherance of its ethical obligations, Spruceview has established and will maintain its Code of Ethics in accordance with Rule 204A-1 under the Investment Advisers Act of 1940 (the “***Advisers Act***”).

All Spruceview employees are obligated to comply with Spruceview’s Code of Ethics as an essential condition of employment with Spruceview, and a failure to fulfill that obligation may result in some form of disciplinary action, which may include dismissal from Spruceview. As a part of fulfilling that condition of employment, all Spruceview employees are required to comply with the Advisers Act and other applicable securities laws.

Subject to certain restrictions and limitations, Spruceview’s Code of Ethics permits employees to engage in personal securities transactions. The Code applies to transactions by the employee and his or her related persons, including his or her immediate family members residing in the same household. The Code of Ethics requires pre-clearance of personal securities transactions with certain exceptions, such as transactions involving open-end mutual funds, money market funds,

exchange-traded funds, U.S. government obligations, certain short-term debt instruments and automatic investment plan transactions. The Code prohibits trading in securities in violation of applicable securities laws, and generally prohibits employees from profiting on the purchase and sale, or the sale and purchase, of individual stocks and certain other securities within 60 days. The Code of Ethics requires employees to report all of their personal trading accounts, and to provide quarterly reports of their personal securities transactions and initial and annual reports of their securities holdings, subject to certain limited exceptions. In addition, the Code of Ethics prohibits Spruceview employees from giving or receiving business-related gifts and imposes limits on the amount and types of entertainment that may be given or received by Spruceview employees to or from investors, Clients and other third parties. Any exceptions to the prohibitions related to gifts or entertainment are subject to approval by Spruceview's Chief Compliance Officer.

The Code of Ethics also restricts the amount and type of political contributions that Spruceview employees (and their immediate family members) may make, and outlines Spruceview's confidentiality and anti-money laundering policies. The Code of Ethics also contains provisions related to reporting violations of the Code of Ethics. Each Spruceview employee receives a copy of the Code of Ethics (and any amendments) and is required to acknowledge that he or she has read and understands the Code of Ethics.

Upon request, Spruceview will provide a copy of its Code of Ethics to any Client or prospective Client, as well as to Spruceview Fund investors and prospective Spruceview Fund investors. A copy of our Code of Ethics may be obtained by contacting Spruceview's Chief Compliance Officer at: Spruceview Capital Partners LLC, 200 Fillmore Street, Suite 320, Denver, CO 80206, Attention: Chief Compliance Officer.

Conflicts of Interest; Principal Transactions

Officers and employees of Spruceview have a duty to act in the best interests of the Spruceview Funds and other Clients at all times. As part of this duty, officers and employees are prohibited from engaging in any transaction which involves an improper conflict of interest.

Spruceview may have a potential conflict of interest in situations where it recommends that a separate account Client invest its assets in a Spruceview Fund. Spruceview seeks to address such conflicts by charging the Client a Management Fee only at the separate account level, and waiving any Management Fee that otherwise would have been charged to the Client by the Spruceview Fund. In situations where a separate account Client invests in a Spruceview Fund, it is possible that conflicts of interest could arise between limited partners of such Fund (including the Client) and Spruceview or its affiliates in their capacities as investment manager or general partner of the Fund, respectively.

Spruceview does not expect it will knowingly sell any security to, or purchase any security from, a Client while acting as principal for its own account (a "***Principal Transaction***") without disclosing to the Client in writing before the completion of such transaction the capacity in which Spruceview is acting and obtaining the consent of the Client (or an authorized Client representative) to such transaction. Spruceview monitors personal trading information provided by its employees (including investments through the Spruceview Funds) to the extent reasonably necessary to determine if a given transaction would constitute a Principal Transaction.

Item 12 Brokerage Practices

Clients will incur transactions costs, including brokerage commissions, in connection with securities transactions, which will be in addition to the Spruceview Management Fees.

Spruceview does not select the brokers and dealers used to effect securities transactions for Underlying Investments held in any Fund or in any Client separate accounts. Instead, such authority remains with the applicable Underlying Managers. With respect to direct investments made on behalf of Clients, subject to the terms of the Client's agreement with Spruceview, Spruceview may have complete discretion in deciding what brokers and dealers Client accounts will use and in negotiating the rates of compensation that Clients will pay. In addition to using brokers as "agents" and paying commissions, Client accounts may buy or sell securities directly from or to dealers acting as principals at prices that include markups or markdowns, and may buy securities from underwriters or dealers in public offerings at prices that include compensation to the underwriters and dealers.

In the situations in which Spruceview has the authority, Spruceview selects brokers to effect portfolio transactions for Clients with portfolios under Spruceview's discretionary management, and in doing so seeks the most favorable execution terms reasonably available. In making this determination, Spruceview may consider such factors as the ability to effect the transactions, the broker's facilities, reliability and financial responsibility, securities pricing and transaction expenses, execution capability, confidentiality, capital commitment, and order and processing responsiveness. Spruceview need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. Accordingly, if Spruceview determines in good faith that the commissions charged by a broker are reasonable in relation to the value of the brokerage and research products or services provided by such broker, a Client may pay commissions to such broker in an amount greater than the amount another broker might charge.

Spruceview does not have any formal or informal soft dollar arrangements by which it receives research or brokerage products or services. A "soft dollar" arrangement is an arrangement whereby an investment adviser directs Client brokerage, or pays higher commissions, to a particular broker-dealer in return for research or other services from such broker-dealer. Spruceview may, however, receive proprietary research and certain other limited benefits from broker-dealers, but only where (i) there is no arrangement to direct a specific amount of commission business to such broker-dealers in exchange for such items and (ii) Spruceview does not "pay up" for such items in the form of higher commissions on trades.

It is Spruceview's general policy not to enter into directed brokerage arrangements. However, in the event that a Client requests a directed brokerage arrangement for its account, Spruceview will consider such requests on a case by case basis. A "directed brokerage" arrangement is an arrangement whereby a client of an investment adviser instructs the adviser to direct a portion of its brokerage transactions to a particular broker-dealer. By directing brokerage, a Client may be unable to obtain the most favorable execution for transactions and may cause its account to pay more money (or less) for transactions.

Spruceview may aggregate Client trades when such aggregation is expected to be in the best interest of all participating Clients. Please see the section titled “Management of Multiple Funds and Client Accounts” in Item 10 above for a discussion of when Spruceview may aggregate the purchase and sale of securities for Clients.

Item 13 Review of Accounts

Spruceview monitors each Client account on a periodic basis. For example, Spruceview monitors the Underlying Managers’ implementation of their investment strategies, performance, investment risk, organizational changes and other factors. Spruceview also monitors each account’s overall performance, asset allocation and risk characteristics. These reviews generally are conducted by the Spruceview portfolio manager(s) responsible for the account. The portfolio managers also are members of Spruceview’s Investment Committee, which also includes Spruceview’s other investment personnel. This committee makes the final decisions with respect to the approval of new Underlying Investments and replacements of Underlying Investments. When authorized by Clients, the portfolio managers are authorized to change the allocations to Underlying Investments in a Client’s account subject to the prior approval of Spruceview’s Chief Investment Officer and Chief Compliance Officer. For accounts in which Spruceview makes direct investments in securities or other instruments on behalf of Clients, the Investment Committee, or a subcommittee thereof, will review such investments on a periodic basis, but is not required to approve transactions in such investments in advance provided they comply with the investment policies and restrictions applicable to the account.

Spruceview Fund investors and Spruceview separate account Clients will typically receive unaudited, summary financial information regarding their investments and accounts on a quarterly basis. In addition, Spruceview Fund investors generally receive the audited financial statements of their Spruceview Fund within one hundred eighty (180) days of each calendar year end and capital statements after the end of each calendar quarter, in accordance with the respective Spruceview Fund’s Offering Memorandum and organizational documents.

Item 14 Client Referrals and Other Compensation

No persons that are not Clients or investors in the Funds provide Spruceview with an economic benefit for providing investment advice or other advisory services to Clients or Funds.

Spruceview has entered into an arrangement whereby it compensates a third party for certain services, including for client referrals. The compensation consists of a monthly fee. In addition, Spruceview reimburses this party for certain out-of-pocket expenses.

In the future, the Funds or Spruceview may enter into additional agreements with one or more third parties providing for, among other things, (i) payments to such third parties of a fully disclosed sales charge, which may be paid from the investments of certain investors that agree thereto, or (ii) payments by Spruceview to one or more of such third parties of a one-time or ongoing fee based upon the capital contributions of certain investors or fees received by Spruceview from Clients referred by the third parties.

Item 15 Custody

Although Spruceview does not generally maintain physical possession of the assets of any Spruceview Fund or Client, Spruceview may be deemed to have constructive custody of the assets of a Spruceview Fund or Client pursuant to the Advisers Act.

The assets of Spruceview Clients are held in custody with third-party qualified custodians, except in certain limited circumstances permitted by the Advisers Act and the rules thereunder. For example, such custody is not required for uncertificated interests in privately offered Underlying Funds held by a Spruceview Fund (provided the Spruceview Fund distributes audited financial statements meeting certain requirements to its investors annually), or in situations where Spruceview does not have custody of the assets in the account within the meaning of the Advisers Act based on the terms of its agreement with the Client. Spruceview expects the Spruceview Funds to issue audited annual financial statements prepared in accordance with U.S. generally accepted accounting principles within one hundred eighty (180) days of each calendar year end.

In situations where the assets of Clients are held in custody with a third-party qualified custodian, the custodian generally will provide at least quarterly account statements directly to the Client. Clients should carefully review these statements when received and are urged to compare such statements with the reports they receive from Spruceview.

Item 16 Investment Discretion

Spruceview provides investment advisory services directly to each Spruceview Fund pursuant to an investment management agreement. Spruceview provides investment advisory services directly to its separate account Clients pursuant to investment management or investment advisory agreements with such Clients. With the exception of accounts for which Spruceview provides non-discretionary investment management or investment advisory or consulting services (and does not have discretionary investment management authority), Spruceview has sole and exclusive authority over the Spruceview Funds' and its other Clients' direct investments into securities and other assets, as well as the selection of Underlying Investments and Underlying Managers. The investment management agreements and the governing documents of the Spruceview Funds, and the investment management agreements with Spruceview's other Clients, set forth any investment restrictions on Spruceview's investment discretion, with which Spruceview adheres. Please see Items 4 and 8 for additional information regarding Spruceview's process for managing Client portfolios.

Item 17 Voting Client Securities

Spruceview has adopted policies and procedures regarding the voting of proxies as required under Rule 206(4)-6 under the Advisers Act. These policies and procedures are reasonably designed to ensure that proxies received with respect to securities held by the Funds and separate accounts for which Spruceview exercises voting discretion are voted in the best interest of the Client, and that Spruceview maintains records of its proxy voting in compliance with the Advisers Act.

Spruceview does not exercise proxy voting authority over securities held indirectly by the Funds or separate accounts through their Underlying Investments. Instead, the Underlying Managers of such Underlying Investments have voting authority with respect to such securities. With respect

to its direct investments on behalf of Clients, Spruceview has discretion over the exercise of voting rights with respect to such securities, unless otherwise agreed with the Client. In the situations where Spruceview has proxy voting authority, Spruceview reviews each proxy solicitation to initially determine if the vote in question is “material” to the Client (because, for example, the applicable vote’s outcome could have a material impact on the Client) and such determination of “materiality” will determine which Spruceview persons will review and consider the proxy solicitation. In determining how to exercise its voting authority, Spruceview may consider, among other things, the proposal’s content, its potential economic impact on the issuer and the applicable Client’s investment, the issuer’s management, financial and stock performance, relevant corporate governance standards and the issuer’s record regarding shareholder rights and value enhancing opportunities. Though outside advisors or other service providers may be retained to act as voting agent, to provide analysis of issuer and shareholder proposals, or to provide voting guidelines for reference, with the exception of the necessary delegation to Underlying Managers through its Underlying Investments, Spruceview generally does not delegate the proxy voting decision to, or defer to the recommendation of, outside advisors or other service providers. In certain cases, an abstention or non-vote may be determined to be appropriate or in the best interest of the applicable Client, such as when the Client is no longer a shareholder on the date of a vote. Not all of such matters are relevant or equally influential on all voting event decisions. In general, Spruceview Clients may not direct Spruceview how to vote in a particular solicitation.

In the event that a proxy vote for which Spruceview has voting authority raises conflicts of interest between Spruceview and one or more Clients, the Spruceview personnel responsible for making the voting decision will consult with Spruceview’s Chief Compliance Officer or General Counsel regarding the appropriate course of action to ensure that the voting decision is made in best interests of the applicable Client(s). In such situations Spruceview may, but is not required to, defer to the voting recommendation of an independent third party provider or fiduciary, such as a proxy voting service. Spruceview’s Chief Compliance Officer will maintain records reflecting how any such conflict of interest is resolved, including the process used to resolve the conflict and the factors considered.

Upon request, investors in the Spruceview Funds and other Clients may obtain information about how Spruceview voted securities, and a copy of Spruceview’s policy regarding voting securities, by contacting Spruceview’s Chief Compliance Officer at: Spruceview Capital Partners LLC, 200 Fillmore Street, Suite 320, Denver, CO 80206, Attention: Chief Compliance Officer.

Item 18 Financial Information

Spruceview believes that it has no financial condition that is reasonably likely to impair its ability to meet contractual commitments to its Clients, and Spruceview has not been the subject of any bankruptcy proceeding.