

ITEM 1
COVER PAGE

PART 2A OF FORM ADV: FIRM BROCHURE

Endicott Management Company
(d/b/a Endicott Group)

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This brochure (this "Brochure") provides information about the qualifications and business practices of Endicott Management Company ("EMC") and affiliated advisory entities. If you have any questions about the contents of this Brochure, please contact Brad Maneely at (212) 450-8070 or Brad@EndicottGP.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

Additional information about EMC also is available on the SEC's website at www.adviserinfo.sec.gov.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

ITEM 2 MATERIAL CHANGES

There are no material changes to report. If EMC makes any material change to this Brochure, the section will be revised to include a summary of such changes.

ITEM 3 TABLE OF CONTENTS

ITEM 1 COVER PAGE.....	1
ITEM 2 MATERIAL CHANGES	ii
ITEM 3 TABLE OF CONTENTS	iii
ITEM 4 ADVISORY BUSINESS.....	1
A. General Description of Advisory Firm	1
B. Description of Advisory Services	1
C. Availability of Customized Services for Individual Clients.....	2
D. Assets Under Management.....	2
ITEM 5 FEES AND COMPENSATION	3
A. Advisory Fees and Compensation	3
B. Payment of Fees.....	4
C. Additional Fees and Expenses	4
D. Prepayment of Fees.....	5
E. Additional Compensation and Conflicts of Interest.....	5
ITEM 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT	6
ITEM 7 TYPES OF CLIENTS	7
ITEM 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS	8
ITEM 9 DISCIPLINARY INFORMATION	21
ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	22
A. Broker-Dealer Registration Status	22
B. Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Adviser Registration Status.....	22
C. Material Relationships or Arrangements with Industry Participants	22
D. Material Conflicts of Interest Relating to Other Investment Advisers.....	23

ITEM 11 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING.....	24
ITEM 12 BROKERAGE PRACTICES.....	26
A. Factors Considered in Selecting or Recommending Broker-Dealers for Fund Transactions	26
B. Order Aggregation	28
ITEM 13 REVIEW OF ACCOUNTS	29
A. Frequency and Nature of Review of Fund Accounts or Financial Plans.....	29
B. Factors Prompting Review of Fund Accounts Other than a Periodic Review.....	29
C. Content and Frequency of Account Reports to Funds	29
ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION	30
A. Economic Benefits for Providing Services to Funds	30
B. Compensation to Non-Supervised Persons for Client Referrals.....	30
ITEM 15 CUSTODY	31
ITEM 16 INVESTMENT DISCRETION	32
ITEM 17 VOTING FUND SECURITIES.....	33
ITEM 18 FINANCIAL INFORMATION	34

ITEM 4

ADVISORY BUSINESS

A. General Description of Advisory Firm

Endicott Management Company ("EMC"), a Delaware S-Corporation, was formed on March 15, 1996. EMC's registration on Form ADV also covers Endicott Growth Equity Management, L.L.C. ("EGEM") and several entities that serve as general partners of the pooled investment vehicles (the "General Partners"). EGEM and the General Partners provide advisory services to and/or receive advisory fees from the Funds (as defined below). To the extent the qualifications and business practices of EGEM and the General Partners are substantially similar to those of the EMC, no specific mention of such is made herein. For purposes of this Brochure, the "Advisor" means EMC together (where the context permits) with EGEM and the General Partners. The Advisor does business under the trade name "Endicott Group".

The Advisor provides discretionary investment advice and/or management services according to the stated investment objectives, restrictions and policies of its clients. The principal owners of EMC are Wayne K. Goldstein and Robert I. Usdan. The principal owners of EGEM are Wayne K. Goldstein, William Pappas and Robert I. Usdan. The General Partners are under common control with EMC or possess a substantial identity of personnel and/or equity owners with EMC. These entities may be formed for tax, regulatory or other purposes in connection with the organization of the Funds.

None of EMC, EGEM or the General Partners are publicly held companies.

None of the equity interests in EMC are owned through subsidiaries.

B. Description of Advisory Services

The Advisor provides investment management services as the advisor to private investment funds (the, "Funds") that are exempt from registration under the Investment Company Act of 1940, as amended (the "1940 Act"), and whose securities are not registered under the Securities Act of 1933, as amended (the "Securities Act").

The Funds make primarily long-term private equity and equity-related investments and, to a lesser extent, publicly traded securities, in accordance with the Funds' respective investment objectives. The Advisor's advisory services consist of investigating, identifying and evaluating investment opportunities, structuring, negotiating and making investments on behalf of the Funds, managing and monitoring the performance of such investments and disposing of such investments. In certain circumstances, the Advisor forms co-investment vehicles to invest alongside certain Funds.

The Advisor provides investment supervisory services to each Fund in accordance with the governing documents of such Fund, separate investment and advisory, investment management or portfolio management agreements (an "Advisory Agreement") and / or side letters with Fund investors (together, "Governing Documents").

The descriptions set forth in this Brochure of specific advisory services that the Advisor offers to the Funds, and investment strategies pursued and investments made by the Advisor on behalf of its Funds, should not be understood to limit in any way the Advisor's investment activities. Advisor may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that Advisor considers appropriate, subject to each Fund's investment objectives and guidelines. The investment strategies the Advisor pursues are speculative and entail substantial risks. Investors should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any Fund will be achieved.

C. Availability of Customized Services for Individual Clients

Investment advice is provided directly to each Fund in accordance with its investment objectives and guidelines, as set forth in the Governing Documents of each Fund, and not individually to the investors in the Funds. Investment restrictions for the Funds, if any, are generally established in the Governing Documents of the applicable Fund.

D. Assets Under Management

As of December 31, 2019, the Advisor managed a total of \$462,310,708 of client assets, which includes the total unfunded committed capital by investors to the Funds and the value of other assets all of which is managed on a discretionary basis.

ITEM 5 FEES AND COMPENSATION

The Advisor or its affiliates generally receive Advisory Fees and Carried Interest (each as defined below) from a Fund as set forth in detail in such Fund's offering document or investment management agreement. A brief summary of such fees is provided below.

A. Advisory Fees and Compensation

Advisory Fees

As compensation of investment advisory services rendered to the Funds, the Advisor receives from most Funds an advisory fee (each, an "Advisory Fee"), typically calculated based on a percentage of committed capital (generally ranging from 1.0% to 2.0% per annum). Advisory Fees are reduced during the life of a Fund. Advisory Fees paid by a Fund are also typically reduced by other fees or compensation received by the Advisor or its affiliates that relate to such Fund's activities and investments. Advisory Fees paid by a Fund are indirectly borne by investors in such Fund.

Advisory Fees billed to and received from the Funds accrue and become payable quarterly in advance, on the first day of such fiscal quarter. Advisory Fees will be prorated on a daily basis for partial quarters.

The precise amount of, and the manner of calculation of, the Advisory Fees for each Fund are established by the Advisor and are set forth in the Fund's Governing Documents received by each investor prior to investment in such Fund. The fee structures described in the Governing Documents may be [(and, in certain circumstances, have been)] modified from time to time. Fees differ from one Fund to another, and vary among investors in the same Fund. In addition, the Advisor from time to time enters into economic and / or other fee sharing arrangements with respect to one or more Funds and / or certain limited partners thereof, the rights of which will not generally be made available to other limited partners.

Carried Interest Payments

In addition, each General Partner is generally entitled to receive performance based compensation ("Carried Interest") with respect to the Funds. Carried Interest is typically calculated as a percentage of the net proceeds from a Fund's investments (generally ranging from 10% to 20%) after investors receive a return of their total capital contribution to such Fund plus a preferred return.

The Advisory Fees and Carried Interest, if any, applicable to co-investment vehicles are negotiated on an individualized basis and established pursuant to the Advisory Agreement and/or other Governing Documents of such vehicle.

B. Payment of Fees

The Funds pay the Advisory Fees directly to the Advisor; and the Funds allocate the Carried Interest directly to their respective General Partners.

C. Additional Fees and Expenses

Other Fees

The Advisor's personnel from time to time serve on the boards of directors of portfolio companies and occasionally the Advisor and its affiliates perform transaction-related, financial advisory and other services for, and receive fees from, actual or prospective portfolio companies of the Funds, including board services fees and fees in connection with structuring investments, mergers, acquisitions, or similar transactions with respect to such portfolio companies ("Transaction Fees"). The Advisor and its affiliates also receive monitoring fees pursuant to monitoring agreements with certain portfolio companies of the Funds governing the advice, consultation and other similar ongoing services provided by the Advisor to such portfolio companies ("Monitoring Fees"). In addition, the Advisor and its personnel receive fees in certain circumstances in connection with serving on the board of directors of a portfolio company ("Director Fees" and, together with Transactions Fees and Monitoring Fees, the "Other Fees").

These Other Fees reduce on a dollar for dollar basis, the amount of Advisory Fees paid by the applicable Fund in connection with the receipt of such Other Fees. The manner of such reduction or offset is set forth in the Governing Documents of the applicable Fund. Generally, under the terms of the applicable Governing Documents, for purposes of calculating any Advisory Fee offset, the amount of Other Fees is determined net of out-of-pocket costs and expenses incurred by the Advisor in connection with generating any such fees. Other Fees may be substantial and are often paid in cash or in securities of the portfolio companies.

To the extent the Advisor or and affiliate receives any Other Fees (e.g. Director Fees in connection with Advisor personnel continuing to serve on the company's board of directors) from a former portfolio company after a Fund has fully exited its investment in the company, such fees received after the exit will generally not be subject to a reduction, provided that such fees were not received for services or activities that occurred prior to the exit.

Expenses

The Funds will generally pay, or reimburse the Advisor for, all out-of-pocket costs and expenses relating to each Fund's activities, including the Advisory Fee, legal, auditing, compliance (which includes, without limitation, responding to formal and informal inquiries, indemnification expenses and expenses associated with regulatory filings relating to a Fund and its portfolio), investment banking, consulting, research, appraising, interest, auditing and accounting expenses

(including expenses associated with the preparation of the Funds financial statements, tax returns and Schedules K-1), other expenses associated with the sourcing, acquiring, holding and disposing of its investments or proposed investments (such as clearing, settlement charges, custodial, brokerage and finder fees and expenses, if any, and commissions, transaction costs, research-related expenses, including, without limitation, third-party research, news and quotation equipment and services (including fees for data and software providers) and investment-related travel expenses), third party trading-related software, including trade order management software (i.e., software used to route trade orders), tax preparation expenses, all expenses in connection with transactions not consummated, fees and expenses of an administrator and a Fund's directors, fees and expenses of independent valuation agents, expenses incurred in the collection of monies owed to the Funds, any taxes, fees or other governmental charges levied against the Funds, all litigation-related and indemnification expenses, if any, insurance-related expenses, (including, without limitation, acquiring and maintaining D&O and/or E&O insurance for a Fund's directors and Advisor and their respective affiliates), expenses related to the maintenance of a Fund's registered office, corporate licensing organizational and offering expenses, extraordinary expenses and other costs and expenses substantially comparable to any of the foregoing.

Brokerage Fees

When a broker is used in connection with an investment by a Fund, such Fund will incur brokerage and other transaction costs. For additional information regarding brokerage practices, please see Item 12 below.

D. Prepayment of Fees

Advisory Fees are paid quarterly in advance to the Advisor. The Carried Interest is paid, if at all, in accordance with each Fund's offering document. Advisor will return that portion of any pre-paid Advisory Fee that it is not entitled to receive, including the Advisory Fees paid for periods after any termination of Advisor as the investment manager of the Fund. The amount so returned will be based on the period during which Advisor ceases to provide services.

E. Additional Compensation and Conflicts of Interest

The Advisor and its affiliates do not accept compensation from the Funds for the sale of securities or other investment products.

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

With respect to most Funds, a portion of the profits of such Funds is allocated to the capital account of the General Partners as Carried Interest. Carried Interest paid by a Fund is indirectly borne by investors in such Fund. Certain of the Funds pay Carried Interest at different rates than other Funds. The payment of different rates of Carried Interest poses conflicts of interest among the Funds, the Advisor and its related persons because it creates an incentive to allocate the best investment ideas to the Funds that pay the highest rate of Carried Interest. Please see the discussion below under the sub-heading "Resolution of Conflicts" for a description of the means by which the Advisor and its related persons may seek to alleviate conflicts of interest among the Funds and other persons.

ITEM 7
TYPES OF CLIENTS

The Advisor provides investment advice to the Funds. Investment advice is provided directly to the Funds and not individually to investors in such Fund. Interests in the Funds are offered pursuant to applicable exemptions from registration under the Securities Act and the 1940 Act. Investors in the Funds are generally "qualified purchasers" as defined in the 1940 Act.

ITEM 8

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

The descriptions set forth in this Brochure of specific advisory services that Advisor offers to the Funds, and investment strategies pursued and investments made by the Advisor on behalf of its Funds, should not be understood to limit in any way Advisor's investment activities. The Advisor may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that the Advisor considers appropriate, subject to each Fund's investment objectives and guidelines. The investment strategies the Advisor pursues are speculative and entail substantial risks. The Funds should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any Fund will be achieved.

Methods of Analysis and Investment Strategies

The Advisor provides investment advice designed to assist the Funds in seeking substantial capital appreciation. The Advisor seeks to achieve its objective by investing the Funds' assets primarily in non-marketable or highly illiquid equity, or equity-linked securities of institutions engaged in a few select industries; specifically financial service industry (more specifically U.S. Banking Institutions) and information service industry. Fund investments could range from investing in developing companies to recapitalization, acquisition and expansion investments for more mature private businesses. Funds may acquire substantial blocks of illiquid securities in the secondary market. The period during which a Fund's investments are held may vary widely depending on, among other things, the terms, liquidity and nature of the investment. Generally, investments are based upon their potential for long-term capital appreciation. The earning of dividend or interest income is not a primary objective of the Funds. A Fund may from time to time utilize options and short sales in order to deploy the investment strategy of a specific Fund.

Risks

The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment in the Funds advised by the Advisor. These risk factors include only those risks the Advisor believes to be material, significant or unusual and relate to particular significant investment strategies or methods of analysis employed by the Advisor. An investment in a specific Fund involves a significant degree of risk. There can be no assurance that the Funds' investment objectives will be achieved or that there will be any return of or on capital. In addition, potential investors should be aware that there might be occasions when the Advisor and its affiliates could encounter potential conflicts of interest in connection with the Funds. Prospective investors should carefully consider the following risk factors before investing in the Funds.

Dependence on Principals: The success of the Funds will be dependent on the expertise and performance of the Advisor and its principals. The loss of one or more of these individuals could have a material adverse effect on the performance the Funds.

Competition and Risks of Locating Suitable Investments: The success of the Funds will be dependent upon the Advisor's ability to identify and to consummate suitable investments. The business, in which the Funds will operate, however, is highly competitive and involves a high degree of risk. The Funds will be competing with a number of other sources of capital having investment objectives similar to those of the Funds. Although the Advisor and its affiliates have been successful in locating investments in the past, the Advisor may be unable to find a sufficient number of attractive opportunities to meet its investment objectives for the Funds.

Leverage of Portfolio Companies: A Fund's portfolio companies may make extensive use of leverage from a number of sources including banks, investment banks, public debt markets, mezzanine funds and bridge loan funds. The use of debt by portfolio companies would expose these companies to financial risk, including the inability to meet debt obligations as they mature and possible bankruptcy. Such risks will be heightened in an environment of increasing interest rates or an overall decline in economic conditions within the United States and the global economy.

Small to Mid-Size Portfolio Companies: The Funds may invest in small to mid-size and/or unseasoned companies. While smaller companies generally have potential for rapid growth, they often involve higher risks because they may lack the management depth and experience, markets or financial resources, product diversification, and competitive strength of larger companies. In addition, in many instances, the frequency and volume of their trading may be substantially less than is typical of larger companies and an investment in such companies may be illiquid. It is more difficult to obtain information about less seasoned and smaller capitalization companies because they tend to be less well known and have shorter operating histories and because they tend not to have significant ownership by large investors or be followed by many securities analysts. Investments in larger and more established companies present certain advantages in that such companies generally have greater financial resources, more extensive research and development, manufacturing, marketing and service capabilities, more stability and greater depth of management and technical personnel.

Minority Interests in Portfolio Companies: With respect to one or several investments held by a Fund, the Advisor may have limited rights to participate in and to influence the conduct of the management of its portfolio company. The portfolio companies may be controlled by other investors which may have interests conflicting with those of the Funds and limited partners. Consequently, the Advisor and the General Partners may not always be in a position to protect the Funds' interests effectively.

Public Company Holdings: The Funds' investment portfolios may contain securities issued by publicly held companies and such securities may constitute a substantial part of the Funds' portfolio. Such investments may subject the Funds to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of the Fund to dispose of such securities at certain times, increased likelihood of shareholder litigation against such companies' board members and increased costs associated with each of the aforementioned risks.

Limited Diversification: The Fund's portfolios are typically concentrated on a specific sector, so the risk of loss is greater than if the portfolio were invested in a more diversified manner among various sectors. In addition, although the diversification of a Fund's investments among a variety of securities is intended to reduce the exposure to adverse events associated with specific issuers, the number of investments by the Fund may be limited. A limited degree of diversification increases risk because the aggregate return of the Funds may be substantially adversely affected by the unfavorable performance of even a single investment, or an economic downturn in a particular region. In addition, the diversification of a Fund's investments could be even further limited to the extent the Fund invests a significant portion of its capital in a transaction and is unsuccessful in refinancing a portion of that investment.

Inability to Make Follow-On Investments: Following its initial investment in portfolio companies, a Fund may be called upon to provide additional funds to portfolio companies or may have the opportunity to increase its investment in successful operations. There can be no assurance that a Fund will be able to make follow-on investments or that a Fund will have sufficient resources to make such investments. Any decision by a Fund not to make follow-on investments or its inability to make them may have a substantial negative impact on portfolio companies in need of such an investment or may result in missed opportunities for a Fund to increase its participation in successful operations.

Inability to Exit Investments: It is unlikely that there will be a public market for many of the investments held by the Funds. A Fund generally will not be able to sell its investments publicly unless its sale is registered under applicable federal and state securities laws, or unless an exemption from such registration requirements is available. In some cases, a Fund may be prohibited by contract or for regulatory reasons from selling investments for a period of time. In addition, the types of investments held by a Fund may be such that they require a substantial length of time to liquidate. Thus, although a Fund intends to develop exit strategies for each investment, there can be no assurance that its exit strategies will be feasible, thereby making it difficult to liquidate the investments and return capital to investors. In particular, no assurances can be given that a Fund will be able to liquidate all of its investments prior to the scheduled

expiration of its term. It is possible that participation in illiquid investments, rather than cash, may be distributed directly to the limited partners when a Fund is dissolved.

Regulatory Change: The financial institutions industry is subject to significant regulation which has materially affected the business of financial institutions in the past and is likely to do so in the future. Regulations now affecting financial institutions may be changed at any time, and the interpretation of these regulations by examining authorities of such financial institutions is also subject to change. There can be no assurance that these or any future changes in the laws or regulations or in their interpretation will not adversely affect the business of such financial institutions.

Illiquid Investments: The Funds primarily invest in securities which are subject to legal or other restrictions on transfer or for which no liquid market exists. The market prices, if any, for such securities tend to be volatile and/or may not readily be ascertainable, and a Fund may not be able to sell them when it desires to do so or to realize what it perceives to be their fair value in the event of a sale. The sale of restricted and illiquid securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the over the counter markets. A Fund may not be able to readily dispose of such illiquid investments and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale.

Conflicts of Interest: Instances may arise where the interest of the Advisor or its principals may potentially or actually conflict with the interests of the Funds and the Fund's investors. Conflicts of interest may arise as a result of a Fund's investors having investments in both a specific Fund and the Fund's portfolio companies as well as other investments both public and private. In addition, certain inherent conflicts of interest may arise from the fact that certain members, partners, officers, shareholders, employees and affiliates of the Advisor may, in the future, carry on other business activities in which a Fund will have no interest, some of which may have similar investment objectives to those of the Fund.

The Advisor may offer co-investment opportunities to one or more third parties, including a Fund's investors, with respect to investments made by the Fund. The Advisor may be compensated on different terms under such co-investment arrangements.

Regulatory Oversight – Financial Services Industry: Banking institutions in which certain of the Funds invest are subject to extensive regulation, supervision and examination by one of the following primary Federal regulators: the Federal Deposit Insurance Corporation (the "FDIC"), the Board of Governors of the Federal Reserve System (the "Fed") or the Office of the Comptroller of the Currency (the "OCC"). State-chartered institutions will also be subject to

extensive regulation, supervision and examination by their respective state banking regulator, in addition to that of the FDIC or Fed. Furthermore, the FDIC acts as the deposit insurer for all Federally-insured institutions and, as such, has certain authority over all such institutions, regardless of their primary Federal regulator. These regulatory authorities have extensive discretion in connection with their supervisory and enforcement activities. This extensive regulatory regime governs all aspects of a banking institution's activities and, thus, may have an adverse effect on its business, financial position or results of operation. For example, all Federally-insured institutions are subject to minimum capital requirements that may restrict an institution's ability to grow or pay dividends.

The results of operations of banking institutions also may be materially affected by general economic conditions, changes in the level of interest rates, national and local cycles in real estate, and the monetary and fiscal policies of the Federal government. Although in recent years certain banking institutions have derived an increased portion of their income from the receipt of fees, the results of operations generally continue to depend to a large extent on the level of their net interest income.

Dependence on Management of Portfolio Companies: Although the Advisor will monitor the performance of each investment; each Fund will also be dependent on the primary responsibility of portfolio company management to operate the portfolio companies on a day-to-day basis. There can be no assurance that such management teams will be able to operate portfolio companies in accordance with a Fund's plans.

Joint Investments: A Fund may enter into partnerships or joint ventures with other parties to make investments. Such investments may involve risks not present in direct company investments, including, for example, the possibility that a co-investor might become bankrupt, or may at any time have economic or business interests or goals that are inconsistent with those of the Fund, or that such co-investor may be in a position to take action contrary to the Fund's objectives. In addition, the Fund may be liable for actions of its co-investor. While the Advisor will review the qualifications and previous experience of any proposed co-investor or partners, it does not expect in all cases to obtain financial information from, or to undertake private investigations with respect to, prospective co-ventures or partners.

Contingent Liabilities on Disposition of Investments: In connection with the disposition of an investment in a portfolio company, a Fund may be required to make representations about the business and financial affairs of such company typical of those made in connection with the sale of a business. A Fund may be required to indemnify the purchasers of such investment to the extent that any such representations are inaccurate, incorrect or misleading. These arrangements may result in the incurrence of contingent liabilities for which a Fund may establish reserves and escrows. In that regard, distributions may be delayed or withheld until such reserve is no longer needed or the escrow period expires.

Provision of Managerial Assistance: A Fund may obtain rights to participate substantially in and to influence substantially the conduct of the management of its portfolio companies. A Fund may designate directors (and non-executive chairmen) to serve on the boards of directors of its portfolio companies. The designation of directors and other measures contemplated could expose the assets of a Fund to claims by a portfolio company, its security holders and its creditors. The exercise of control over a company imposes additional risks of liability for environmental damage, product defects, failure to supervise management, violation of governmental regulations and other types of liability which the limited liability characteristic of business operations usually ignores. If these liabilities were to occur, a Fund could suffer in its investments. While it is expected that the Funds will be managed in a way that will minimize exposure to these risks, the possibility of successful claims cannot be precluded.

General Economic Conditions: The success of the Funds may depend on general economic conditions over which the Funds and the companies in which it invests can exercise no control. Interest rates, general levels of economic activity, the price of securities and participation by other investors in the financial markets may affect the value and number of investments made by a Fund or considered for prospective investment.

Hedging Transactions: The Advisor is not required to attempt to hedge investments by the Funds, and for a variety of reasons, may determine not to do so. Furthermore, the Advisor may not anticipate a particular risk so as to hedge against it. A Fund may utilize a variety of financial instruments (including options and derivatives), both for investment purposes and for risk management purposes in order to: (i) protect against possible changes in the market value of the Fund's investment portfolio resulting from fluctuations in the securities markets and changes in interest rates; (ii) protect the unrealized gains in the value of the Fund's investment portfolio; (iii) facilitate the sale of any such investments; (iv) enhance or preserve returns, spreads or gains on any investment in the Fund's portfolio; (v) hedge the interest rate or currency exchange rate on any of the Fund's liabilities or assets; (vi) protect against any increase in the price of any securities the Fund anticipates purchasing at a later date; or (vii) for any other reason that the Fund deems appropriate.

The success of the hedging strategy of a Fund is subject to the Advisor's ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolios being hedged. For a variety of reasons, the Advisor may not seek to establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Such imperfect correlation may prevent a Fund from achieving the intended hedge or expose a Fund to risk of loss. Since the characteristics of many securities change as markets change or time passes, the success of a Fund's hedging strategy is also subject to the Advisor's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While a Fund may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance

for the Fund than if it had not engaged in any such hedging transactions. The successful utilization of hedging and risk management transactions requires skills complementary to those needed in the selection of the Fund's portfolio holdings.

Short Sales: A Fund may utilize short sales. A short sale involves the sale of a security that is not owned in the expectation of purchasing the same security (or a security exchangeable therefore) at a later date at a lower price. A short sale involves the risk of a theoretically unlimited increase in the market price of the security necessary to cover the short. Furthermore, if a Fund has sold short the securities offered in an exchange offer or merger and has purchased the securities of the target company, the Fund is exposed to the risk that, if the transaction is not consummated, it may suffer losses with respect to both its long and its short positions.

There can be no assurance that a Fund will be able to maintain the ability to borrow securities sold short. In such cases, the Fund can be "bought in" (i.e., forced to repurchase securities in the open market to return to the lender). There also can be no assurance that the securities necessary to cover a short position will be available for purchase at or near prices quoted in the market. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. In addition, when a Fund effects a short sale, it may be obligated to leave the proceeds thereof with the broker and also deposit with the broker an amount of cash or other securities (subject to requirements of applicable law) that is sufficient under any applicable margin or similar regulations to collateralize its obligation to replace the borrowed securities that have been sold.

Derivatives: A Fund may invest in derivative instruments, which may include options, swaps, structured securities and other instruments and contracts that are derived from, or the value of which is related to, one or more underlying securities, financial benchmarks, currencies or indices. Derivatives typically allow an investor to hedge or speculate on the price movements of a particular security, financial benchmark, currency, index or commodity at a fraction of the cost of investing in the underlying asset. There is no assurance that derivatives that a Fund wishes to acquire will be available at any particular time, on satisfactory terms or at all. The prices of many derivative instruments, including many options and swaps, are highly volatile. The value of a derivative depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to derivatives of such asset.

Derivatives may be purchased on established exchanges or through privately negotiated transactions referred to as OTC derivatives. Exchange-traded derivatives generally are guaranteed by the clearing agency that is the issuer or counterparty to such derivatives. This guarantee usually is supported by a daily payment system (i.e., variation margin requirements) operated by the clearing agency in order to reduce overall credit risk. As a result, unless the clearing agency defaults, there is relatively little counterparty credit risk associated with

derivatives purchased on an exchange. By contrast, no clearing agency guarantees OTC derivatives.

In addition, derivative contracts may expose a Fund to the credit risk of the parties with which the Fund deals. Non-performance of such contracts by counterparties, for financial or other reasons, could expose the Fund to losses, whether or not the transaction itself was profitable. Derivatives may also expose investors to liquidity risk, as there may not be a liquid market within which to close or dispose of outstanding derivatives contracts.

A Fund may take advantage of opportunities in any other derivatives that are not presently contemplated for use by the Fund or that are not currently available but that may be developed, to the extent such opportunities are both consistent with the Fund's investment objective and legally permissible for the Fund.

Options and Swaps: Price movements of options contracts and payments pursuant to swap agreements may be influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, or national and international political and economic events and policies. The value of options and swap agreements also depends upon the price of the securities or currencies underlying them. A Fund is also subject to the risk of the failure of any of the exchanges on which its positions trade or of their clearinghouses or counterparties.

A Fund may purchase and sell ("write") options from time to time on, among other things, securities and currencies on non-U.S. and U.S. commodities and securities exchanges, and in the non-U.S. and U.S. over-the-counter markets. The seller ("writer") of a put option that is covered (e.g., the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security or currency above the sales price (in establishing the short position) of the underlying security or currency, plus the premium received, and gives up the opportunity for gain on the underlying security or currency if the market price falls below the exercise price of the option. If the seller of the put option owns a put option covering an equivalent number of shares with an exercise price equal to or greater than the exercise price of the put written, the position is "fully hedged" if the option owned expires at the same time or later than the option written. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security or currency below the exercise price of the option. The buyer of a put option assumes the risk of losing its entire investment in the put option. If the buyer of the put holds the underlying security, the loss on the put will be offset in whole or in part by any gain on the underlying security.

The writer of a call option that is covered (e.g., the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security or currency below the purchase price of the underlying security or currency less the premium received if the option

expires out of the money, and gives up the opportunity for gain on the underlying security or currency above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security or currency above the exercise price of the option. The securities necessary to satisfy the exercise of an uncovered call option may be unavailable for purchase except at much higher prices, thereby reducing or eliminating the value of the premium. Purchasing securities to cover the exercise of an uncovered call option can cause the price of the securities to rise further, sometimes by a significant amount, thereby exacerbating the loss. The buyer of a call option assumes the risk of losing its entire premium investment in the call option. If the buyer of the call sells short the underlying security, the loss on the call will be offset, in whole or in part, by any gain on the short sale of the underlying security.

Swaps and other custom instruments are subject to the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty.

Over-the-counter options generally are not assignable except by agreement between the parties concerned, and no party or purchaser has any obligation to permit such assignments. The over-the-counter market for options is relatively illiquid, particularly for relatively small transactions that a Fund may use in its investment strategies.

Interest Rate Risk: Changes in interest rates can have a variety of effects on the businesses of financial institutions in which certain of the Funds invest. A financial institution's net interest income, which is the difference between interest income received on its interest-earning assets, including loans and investment securities, and the interest expense incurred in connection with such institution's interest-bearing liabilities, including deposits, can be significantly affected by changes in market interest rates. For most banking institutions, net interest income is the largest component of net income.

Regulatory Change: As discussed above, the financial institutions industry is subject to significant regulation which has materially affected the business of financial institutions in the past and is likely to do so in the future. In fact, at present, numerous changes to governing law have been introduced or are expected. Regulations now affecting financial institutions may be changed at any time, and the interpretation of these regulations by examining authorities of such financial institutions is also subject to change. There can be no assurance that these or any future changes in the laws or regulations or in their interpretation will not adversely affect the business of such financial institutions.

Market Volatility: Volatile market conditions have had a dramatic impact on investments at various times in history. The success of a Fund's activities will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic

uncertainty, changes in laws (including laws relating to taxation of the Fund's investments), trade barriers, currency exchange controls, and national and international political circumstances. In addition, acts of violence or war may affect the operations and profitability of a Fund's portfolio companies. Such events could cause consumer confidence and spending to decrease or result in increased volatility in worldwide financial markets and economy. These factors may affect the level and volatility of the prices of securities, commodities or other financial instruments and the liquidity of a Fund's investments. Volatility or illiquidity could impair a Fund's profitability or result in losses. A Fund may maintain substantial trading positions that can be adversely affected by the level of volatility in the financial markets; the larger the positions, the greater the potential for loss.

The economies of non-U.S. countries may differ favorably or unfavorably from the U.S. economy in such respects as growth of gross domestic product, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and balance of payments position. Further, certain non-U.S. economies are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of certain non-U.S. countries may be based, predominantly, on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation.

Undervalued Securities: The identification of investment opportunities in undervalued securities is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. While investments in undervalued securities offer the opportunity for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from the Fund's investments may not adequately compensate for the business and financial risks assumed.

Leverage; Interest Rates; Margin: The use of leverage has attendant risks and can substantially increase the adverse impact to which a Fund's investment portfolio may be subject. The use of leverage will allow a Fund to make additional investments, thereby increasing its exposure to assets, such that its total assets may be greater than its capital. However, leverage will also magnify the volatility of changes in the value of the Fund's portfolio. The effect of the use of leverage by a Fund in a market that moves adversely to its investments could result in substantial losses to the Fund, which would be greater than if the Fund were not leveraged. In addition, any leverage used by the Fund is subject to the risk that changes in the general level of interest rates may adversely affect expenses and operating results.

In general, any use by a Fund of short-term margin borrowings results in certain additional risks. For example, should the securities pledged to brokers to secure the portfolio's margin accounts decline in value, the portfolio could be subject to a "margin call", pursuant to which the portfolio

must either deposit additional funds with the broker, or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden precipitous drop in the value of the portfolio's assets, the portfolio might not be able to liquidate assets quickly enough to pay off its margin debt.

In the futures and forward markets, margin deposits are typically low relative to the value of the futures contracts purchased or sold. Such low margin deposits are indicative of the fact that any futures or forward contract trading is typically accompanied by a high degree of leverage. Low margin deposits mean that a relatively small price movement in a contract may result in immediate and substantial losses to the investor.

To the extent a Fund purchases an option in the U.S., there is no margin requirement because the option premium is paid for in full. The premiums for certain options traded on non-U.S. exchanges may be paid for on margin. Whether any margin deposit will be required for over-the-counter options and other over-the-counter instruments will depend on the credit determinations and specific agreements of the parties to the transaction, which are individually negotiated.

Exposure to Material Non-Public Information: From time to time, the Advisor may receive material non-public information with respect to an issuer of publicly traded securities. In such circumstances, Funds may be prohibited, by law, policy or contract, for a period of time from (i) unwinding a position in such issuer, (ii) establishing an initial position or taking any greater position in such issuer, and (iii) pursuing other investment opportunities related to such issuer.

Initial Public Offerings: Investments in initial public offerings (or shortly thereafter) may involve higher risks than investments issued in secondary public offerings or purchases on a secondary market due to a variety of factors, including, without limitation, the limited number of shares available for trading, unseasoned trading, lack of investor knowledge of the issuer and limited operating history of the issuer. In addition, some companies in initial public offerings are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalized or regarded as developmental stage companies, without revenues or operating income, or the near-term prospects of achieving them. These factors may contribute to substantial price volatility for such securities and, thus, for the value of the Fund's portfolio.

Restricted Investments: Funds may invest in securities which are subject to legal or other restrictions on transfer. The market prices, if any, for such securities tend to be volatile and may not be readily ascertainable, in addition a Fund may not be able to sell them when it desires to do so or to realize what it perceives to be their fair value in the event of a sale. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale.

Preferred Stock: Investments in preferred stock involve risks related to priority in the event of bankruptcy, insolvency or liquidation of the issuing company and how dividends are declared. Preferred stock ranks junior to debt securities in an issuer's capital structure and, accordingly, is subordinate to all debt in bankruptcy. Preferred stock generally has a preference as to dividends. Such dividends are generally paid in cash (or additional shares of preferred stock) at a defined rate, but unlike interest payments on debt securities, preferred stock dividends are payable only if declared by the issuer's board of directors. Dividends on preferred stock may be cumulative, meaning that, in the event the issuer fails to make one or more dividend payments on the preferred stock, no dividends may be paid on the issuer's common stock until all unpaid preferred stock dividends have been paid. Preferred stock may also be subject to optional or mandatory redemption provisions.

Exchange Traded Funds: ETFs are publicly traded unit investment trusts, open-end funds or depository receipts that seek to track the performance and dividend yield of specific indexes or companies in related industries. These indexes may be either broad-based, sector, or international. However, ETF shareholders are generally subject to the same risk as holders of the underlying securities they are designed to track. ETFs are also subject to certain additional risks, including, without limitation, the risk that their prices may not correlate perfectly with changes in the prices of the underlying securities they are designed to track, and the risk of trading in an ETF halting due to market conditions or other reasons, based on the policies of the exchange upon which the ETF trades. Generally, each shareholder of an ETF bears a pro rata portion of the ETF's expenses, including management fees. Accordingly, in addition to bearing their proportionate share of the Fund's expenses (e.g., management fees and operating expenses), investors may also indirectly bear similar expenses of an ETF.

Commodities: The values of commodities that underlie commodity futures contracts and other types of financial instruments in which a Fund may invest generally are affected by, among other factors, the cost of producing commodities, changes in consumer demand for commodities, the hedging and trading strategies of producers and consumers of commodities, speculative trading in commodities by commodity pools and other market participants, disruptions in commodity supply, weather and climate conditions, changes in interest rates, rates of inflation, currency devaluations and revaluations, embargoes, tariffs, regulatory developments, governmental, agricultural, trade, fiscal, monetary and exchange control programs and policies, political and other global events and global economic factors. In addition, governments from time to time intervene, directly and by regulation, in certain markets, often with the intent to influence prices directly. The effects of governmental intervention may be particularly significant at certain times in certain markets and this intervention may cause these markets to move rapidly. The Advisor has no control over the factors that affect the price of commodities. Accordingly, the value of a Fund's investments could change substantially and in a rapid and unpredictable manner.

Fixed Income Securities: A Fund may invest in fixed income securities. The value of fixed income securities in which a Fund may invest will change in response to fluctuations in interest rates. Increases in interest rates may cause the value of a Fund's debt investments to decline. A Fund may experience increased interest rate risk to the extent it invests, if at all, in lower-rated instruments, debt instruments with longer maturities, debt instruments paying no interest (such as zero-coupon debt instruments) or debt instruments paying non-cash interest in the form of other debt instruments. Except to the extent that values are independently affected by currency exchange rate fluctuations, when interest rates decline, the value of fixed income securities generally can be expected to rise. Conversely, when interest rates rise, the value of fixed income securities generally can be expected to decline. In addition, the value of certain fixed income securities can fluctuate in response to perceptions of credit worthiness, political stability or soundness of economic policies. Valuations of other fixed income instruments may fluctuate in response to changes in the economic environment that may affect future cash flows.

Assumption of Business, Terrorism and Catastrophe Risks. The Funds may be subject to the risk of loss arising from direct or indirect exposure to various catastrophic events, including the following: hurricanes, earthquakes and other natural disasters; terrorism; and public health crises, including the occurrence of a contagious disease. To the extent that any such event occurs and has a material effect on global financial markets or specific markets in which the Funds participate (or has a material effect on locations in which the Advisor operates) the risks of loss can be substantial and could have a material adverse effect on clients and their investment portfolios.

Coronavirus Risks. In December 2019, a novel strain of coronavirus (known as COVID-19) surfaced in Wuhan, China, which has resulted in the temporary closure of many corporate offices, retail stores, and manufacturing facilities across China and South Korea, among other affected countries. These closures have caused the disruption of manufacturing supply chains and local and global economies, the duration of which remains uncertain. As of March 2020, COVID-19 has spread across the world, which has resulted in additional market disruptions. The extent to which COVID-19 may negatively affect the operations of the Advisor and the performance of the Funds is difficult to predict. Any potential impact on such operations and performance will depend to a large extent on future developments and new information that may emerge regarding the duration and severity of COVID-19 and the actions taken by authorities and other entities to contain COVID-19 or treat its impact. These potential impacts, while uncertain, could adversely affect the performance of the Funds and their investments.

ITEM 9
DISCIPLINARY INFORMATION

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

ITEM 10
OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. Broker-Dealer Registration Status

Advisor, its affiliates and its management persons are not registered as broker-dealers and do not have any application pending to register with the SEC as a broker-dealer or registered representative of a broker-dealer.

B. Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Adviser Registration Status

Advisor, its affiliates and its management persons are not registered as, and do not have any application to register as, a futures commission merchant, commodity pool operator, commodity trading advisor or associated person of the foregoing entities.

C. Material Relationships or Arrangements with Industry Participants

As described in Item 4, EMC is associated with EGEM and a number of related General Partners. Each of EGEM and these General Partners relies upon, and is covered by, EMC's registration with the SEC under the Advisers Act in accordance with SEC guidance. These affiliated investment advisers operate as a single advisory business together with EMC and serve as investment managers or general partners of the Funds and share common owners, officers, partners, employees, consultants or person occupying similar positions.

An entity affiliated with Advisor, Endicott Financial Advisers, L.L.C. ("EFA"), provides advice to a number of community banks in the United States. EFA was founded in 1996 by the principals of Advisor to work with small to medium size banks on numerous issues including: capital structure optimization, merger & acquisition activity and operational strategy. EFA earns fees from its clients for providing these services. EFA may receive fees from portfolio companies owned by the Funds. Any such fees paid by portfolio companies of the Funds will offset management fees borne by the Funds. Advisor does not believe the services provided by EFA present any material conflict of interest to the Funds.

As indicated above, the Advisor manages several Funds which have investment programs that are similar. The Advisor also manages a co-investment vehicle that invests alongside certain Funds. In addition, the Advisor may in the future establish, sponsor and become affiliated with other pooled investment vehicles and companies that have investment programs that are similar or substantially similar to the investment program of the existing Funds. As a result of the foregoing, the Advisor and its personnel have conflicts of interest in allocating their time and resources between clients, in allocating investments among the Clients and other clients, and in effecting transactions between the Clients and other clients, including ones in which the Advisor or its personnel may have a financial interest. Accordingly, the Advisor will devote so much of

its time and will allocate the time and resources of its operations team to the Funds and any other clients as in its judgment the conduct of each client's account reasonably requires.

To address conflicts of interests in its material relationships, the Advisor has adopted policies and procedures, including a Code of Ethics and a compliance manual. For a discussion of the Advisor's Code of Ethics and allocations and conflicts of interest policies, please see Item 11, "Code of Ethics, Participation or Interest in Client Transactions and Personal Trading," below.

D. Material Conflicts of Interest Relating to Other Investment Advisers

The Advisor does not recommend or select other investment advisers for its Funds.

ITEM 11

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

The Advisor strives to adhere to the highest industry standards of conduct based on principles of professionalism, integrity, honesty and trust. In seeking to meet these standards, Advisor has adopted a Code of Ethics (the "Code"). The Code incorporates the following general principles that all employees are obligated to uphold:

- employees must at all times place the interests of Advisor's clients first;
- all personal securities transactions must be conducted in a manner consistent with the Code and any actual or potential conflicts of interest or any abuse of an employee's position of trust and responsibility must be avoided;
- employees must not take any inappropriate advantage of their positions;
- information concerning the identity of investments and financial circumstances of the Funds, including the identity of each Fund's investors must be kept confidential; and
- independence in the investment decision-making process must be maintained at all times.

Advisor has adopted formal policies and procedures relating to insider trading, privacy, "pay to play" and anti-money laundering regulations. Further, Advisor has established policies and procedures to monitor and resolve conflicts with respect to investment opportunities in a manner it deems fair and equitable, including the restrictions placed on personal trading in the Code, as described above, and regular monitoring of employee transactions and trading patterns for actual or perceived conflicts of interest, including those conflicts that may arise as a result of personal trades in the same or similar securities made at or about the same time as client trades. Funds and prospective clients may request a copy of the Code by contacting Advisor at the address or telephone number listed on the first page of this document.

Advisor, its affiliates and its employees may from time to time give advice or take action for their own accounts that may differ from, conflict with or be adverse to advice given or action taken for clients. Further, instances arise in certain circumstances where the interests of the Advisor or one of its affiliates conflicts with the interests of the Funds and their limited partners. The Advisor and its affiliates will endeavor to ensure that these conflicts do not work to the detriment of the Funds. If a conflict of interest transaction arises, it will be presented to the applicable committee of limited partners of the applicable Fund authorized to approve such conflict transaction for review.

If the Advisor makes a recommendation to the Funds to purchase or sell a security from or to any entity in which Advisor or a related person has a material financial interest, such transaction will only be permitted if the Funds receive the consent of the committee of limited partners of the applicable Fund authorized to approve such conflict transaction.

Under certain circumstances outlined in each Fund's limited partnership agreement, the Advisor, its affiliates and its employees from time to time invest on behalf of themselves in portfolio investments that would be appropriate for, held by, or fall within the investment guidelines of the Funds. Such investments align the interests of Advisor with its clients and are generally made on the same terms as limited partners in each Fund so that affiliates of Advisor do not receive more favorable terms than investors. Notwithstanding the foregoing, Advisor and its related persons may not make personal investments and investments on behalf of clients contemporaneously. Advisor is permitted to offer co-investment opportunities with a Fund to limited partners and outside investors under certain circumstances in accordance with the terms of the limited partnership agreement of such Fund and applicable side letters.

Advisor manages investments on behalf of a number of clients. Certain clients have investment programs that are similar to or overlap and, therefore, participate with each other in investments in certain circumstances. It is the policy of the Advisor to allocate investment opportunities among all clients fairly, to the extent practical and in a manner that is consistent with the limited partnership agreements and investment objectives of each of the Funds. If the investment period of a Fund has not yet terminated when the investment period of a new Fund has started, then the Advisor will allocate investment opportunities among such Funds as permitted by applicable documents on an equitable basis in its good faith discretion, based on the applicable investment guidelines of such Funds, available capital, anticipated duration of the investment, likelihood of current income, portfolio diversification requirements and other appropriate factors. The Advisor's executive officers shall be primarily responsible for the allocation of investment opportunities among multiple Funds.

ITEM 12

BROKERAGE PRACTICES

A. Factors Considered in Selecting or Recommending Broker-Dealers for Fund Transactions

The activities of the Funds will require the Advisor and its Funds to use various brokers-dealers to execute, settle and clear securities transactions. Portfolio transactions for the Funds will be allocated to brokers and dealers on the basis of best execution and taking into consideration relevant factors, including, but not limited to, price quotes; the size of the transaction; the nature of the market for the security; the timing of the transaction; the difficulty of execution; the broker or dealer's expertise in the relevant market or sector; the extent to which the broker or dealer makes a market in the security or has access to such market; the broker or dealer's skill in positioning the relevant market; the broker or dealer's facilities, reliability, promptness and financial stability; the broker or dealer's reputation for diligence and integrity (including in correcting errors); confidentiality considerations; the quality and usefulness of research products and services and investment ideas presented by the broker or dealer; and other factors deemed appropriate by the Advisor. Subject to the considerations described in the preceding sentence, the selection of a broker (including a prime broker) to execute transactions, provide financing and securities on loan, hold cash and short balances and provide other services may be influenced by, among other things, the provision by the broker of the following: marketing assistance and consulting services with respect to technology, operations, equipment and office space, capital introduction, or other services or items. The Advisor and the Funds do not separately compensate any broker for any of these other services.

The Advisor is not required to solicit competitive bids and does not have an obligation to seek the lowest available commission cost or spread. The Advisor maintains policies and procedures to review the quality of executions, including periodic reviews by its investment professionals.

Research and Other Soft Dollar Benefits

From time to time, the Advisor may pay a broker-dealer commissions (or markups or markdowns with respect to certain types of riskless principal transaction) for effecting Fund transactions in excess of that which another broker-dealer might have charged for effecting the transaction in recognition of the value of the brokerage and research services provided by the broker-dealer. The Advisor will effect such transactions, and receive such brokerage and research services, only to the extent that they fall within the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934, as amended, and subject to prevailing guidance provided by the SEC regarding Section 28(e). The Advisor believes it is important to its investment decision-making processes to have access to independent research.

Also, consistent with Section 28(e), research products or services obtained with "soft dollars" generated by one or more Fund may be used by the Advisor to service one or more other Funds, including Funds that may not have paid for the soft dollar benefits. The Advisor will not seek to allocate soft dollar benefits to Fund accounts in proportion to the soft dollar credits the Fund accounts generate. Where a product or service obtained with soft dollars provides both research and non-research assistance to the Advisor (i.e., a "mixed use" item), Advisor will make a good faith allocation of the cost which may be paid for with soft dollars. In making good faith allocations of costs between administrative benefits and research and brokerage services, a conflict of interest exists by reason of the Advisor's allocation of the costs of such benefits and services between those that primarily benefit the Advisor and those that primarily benefit the Funds.

When the Advisor uses client brokerage commissions (or markups or markdowns) to obtain research or other products or services, the Advisor will receive a benefit because it does not have to produce or pay for such products or services. As a result, the Advisor has an incentive to select or recommend a broker-dealer based on the Advisor's interest in receiving research or other products or services, rather than on its clients' interest in receiving most favorable execution.

At least annually, Advisor will consider the amount and nature of research and research services provided by broker-dealers, as well as the extent to which such services are relied upon, and will attempt to allocate a portion of the brokerage business of its Funds on the basis of that consideration. Broker-dealers sometimes suggest a level of business they would like to receive in return for the various products and services they provide. Actual brokerage business received by any broker-dealer may be less than the suggested allocation, but can (and often does) exceed the suggested level, because total brokerage is allocated on the basis of all of the considerations described above. In no case will the Advisor make binding commitments as to the level of brokerage commissions it will allocate to a broker-dealer, nor will it commit to pay cash if any informal targets are not met. A broker-dealer is not excluded from receiving business because it has not been identified as providing research products or services.

Brokerage for Client Referrals

Neither Advisory nor any related person receives client referrals from any broker-dealer or third party.

Directed Brokerage

Advisor does not routinely recommend, request or require that a Fund direct Advisor to execute transactions through a specified broker-dealer.

B. Order Aggregation

If the Advisor determines that the purchase or sale of a security is appropriate with regard to multiple Funds, Advisor generally does, but is not obligated to, purchase or sell such a security on behalf of such Funds with an aggregated order, for the purpose of reducing transaction costs, to the extent permitted by applicable law.

ITEM 13

REVIEW OF ACCOUNTS

A. Frequency and Nature of Review of Fund Accounts or Financial Plans

The Advisor performs regular reviews of each Fund's portfolio. Such reviews are conducted by Advisor's investment professionals.

B. Factors Prompting Review of Fund Accounts Other than a Periodic Review

A review of a client account may be triggered by any unusual activity or special circumstances.

C. Content and Frequency of Account Reports to Funds

Investors in the Funds receive from the Advisor, unaudited quarterly reports providing summary financial and other information on their investment. The Advisor provides the investors in certain Funds with information on a more frequent and detailed basis if agreed to by the Advisor. In addition, the Advisor provides to investors of the Funds audited financial statements concerning their respective Fund and if applicable, tax information necessary for the completion of such investor's return within 120 days of the end of the Fund's fiscal year.

ITEM 14
CLIENT REFERRALS AND OTHER COMPENSATION

A. Economic Benefits for Providing Services to Funds

The Advisor from time to time receives Transaction Fees and Monitoring Fees from portfolio companies of the Funds. These payments result in a reduction to the Advisory Fee that Advisor receives from the Funds as discussed above. The Advisor does not believe that these arrangements create any conflict of interest between Advisor and the Funds.

The Advisor does not receive economic benefits from non-clients for providing investment advice and other advisory services.

B. Compensation to Non-Supervised Persons for Client Referrals

Neither Advisor nor any related person directly or indirectly compensates any person who is not a supervised person, including placement agents, for client referrals.

ITEM 15 CUSTODY

Account statements related to assets of the Funds are sent periodically by the Fund's administrator either on a monthly or quarterly basis as described in the individual Fund's offering document. Any estimate sent to a client by the Advisor should be compared to the statement generated by the Fund's administrator for discrepancies.

The Advisor is deemed to have custody of client funds and securities because it has the authority to obtain client funds or securities, for example, by deducting Advisory Fees from a client's account or otherwise withdrawing funds from a client's account. Account statements related to the clients are sent by qualified custodians to the Advisor.

The Advisor is subject to Rule 206(4)-2 under the Advisers Act (the "Custody Rule"). However, it is not required to comply (or is deemed to have complied) with certain requirements of the Custody Rule with respect to each Fund because it complies with the provisions of the so-called "Pooled Vehicle Annual Audit Exception", which, among other things, requires that each Fund be subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that each Fund distribute its audited financial statements to all investors within 120 days of the end of its fiscal year.

ITEM 16
INVESTMENT DISCRETION

Investment advice is provided directly to the Funds and not individually to the investors in the Funds. Services are provided to the Funds in accordance with the Governing Documents of the applicable Fund. Investment restrictions for the Funds, if any, are generally established in the Governing Document of the applicable Fund.

ITEM 17

VOTING FUND SECURITIES

The Advisor has the authority to cause each Fund to vote securities held by such Fund and to do so in a manner that it believes is in the best interest of such Fund.

In compliance with Advisers Act Rule 206(4)-6, the Advisor has adopted proxy voting policies and procedures. The general policy is to vote proxy proposals, amendments, consents or resolutions (collectively, "Proxies") in a manner that serves the best interests of the Funds.

The Advisor may take into account relevant factors, as determined by the Advisor in its discretion, including, without limitation: the impact on the value of the securities or instruments owned by the relevant Fund; the anticipated associated costs and benefits associated with the proposal; the effect on liquidity; and industry and business practices.

In limited circumstances, the Advisor will refrain from voting Proxies where the Advisor believes that not voting would be in the best interests of the applicable Fund, taking into consideration, among other things, the cost and restrictions associated with voting the Proxies. Generally, clients may not direct Advisor's vote in a particular solicitation.

Conflicts of interest arise from time to time between the interests of the Funds on the one hand and Advisor on the other hand. If Advisor determines that it may have, or is perceived to have, a conflict of interest when voting Proxies, Advisor will vote in accordance with its Proxy voting policies and procedures. Clients may obtain a copy of Advisor's Proxy voting policies and its Proxy voting record upon request.

ITEM 18
FINANCIAL INFORMATION

The Advisor is not required to include a balance sheet for its most recent fiscal year, is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to clients, and has not been the subject of a bankruptcy petition at any time during the past ten years.