

Item 1. – Cover Page

Dorchester Capital Advisors, LLC
Part 2A of Form ADV
The Brochure

11111 Santa Monica Blvd., Suite 1250, Los Angeles, CA 90025
Tel. (310) 402-5090

www.dorchestercapital.com

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This brochure provides information about the qualifications and business practices of Dorchester Capital Advisors, LLC (“DCA” or “Advisor”). If you have any questions about the contents of this brochure, please contact us at (310) 402-5090. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about DCA is also available on the SEC’s website at:
www.adviserinfo.sec.gov.

In this brochure, DCA is referred to as a registered investment adviser. This means that DCA is registered as an investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the “Advisers Act”). Advisers Act registration does not and should not be read to imply a certain level of skill or training.

Item 2. - Material Changes

This section discusses only material changes since the last annual update of this Brochure. The Brochure was previously updated by DCA on April 30, 2019.

In the filing dated March 27, 2020, the only material changes were that the entity formally named Dorchester Capital Advisors, LLC was merged into Dorchester Private Equity Management, LLC, which is the surviving entity. This was done effective January 1, 2020. Immediately after the merger Dorchester Private Equity Management, LLC, changed its name to Dorchester Capital Advisors, LLC. Also, effective December 31, 2019, Dorchester Capital Advisors, LP was redeemed fully and will be officially liquidated in 2020.

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Item 4. - Advisory Business

Dorchester Capital Advisors, LLC (an “Advisor” or “DCA” or “Dorchester”) is the investment manager to the following funds (each, individually, a “Fund” and, collectively, the “Funds”): Dorchester Private Equity I, L.P., a Delaware limited partnership (“DPE”), Dorchester Shared Opportunities II, LP, a Delaware limited partnership (f/k/a Dorchester Private Equity II, L.P., “DSO II,” and, with DPE, the “Private Equity Funds”), Dorchester Capital Secondaries II, L.P., a Delaware limited partnership (“DCS II”), Dorchester Capital Secondaries Offshore II, L.P., a Cayman Islands exempted limited partnership (“DCS Offshore II”), Dorchester Capital Secondaries III, L.P., a Delaware limited partnership (“DCS III”), Dorchester Capital Secondaries Offshore III, L.P., a

Cayman Islands exempted limited partnership (“DCS Offshore III”), Dorchester Capital Secondaries IV, L.P., a Delaware limited partnership (“DCS IV”), Dorchester Capital Secondaries Offshore IV, L.P., a Cayman Islands exempted limited partnership (“DCS Offshore IV”), Dorchester Capital Secondaries V, L.P., a Delaware limited partnership (“DCS V”), Dorchester Capital Secondaries Offshore V, L.P., a Cayman Islands exempted limited partnership (“DCS Offshore V”), Dorchester Capital Secondaries Offshore Master V, L.P., a Cayman Islands exempted limited partnership (“DCSO Master V”, and, with DCS II, DCS Offshore II, DCS III, DCS Offshore III, DCS IV, DCS Offshore IV, DCS V and DCS Offshore V, the “Secondaries Funds”), DCSO III SPV, LP, a Delaware limited partnership (“SPV”) and Dorchester Capital Credit Opportunities Offshore, LP, a Cayman Islands exempted limited partnership (“DCCOO”).

Additionally, DCA has taken over for the original Dorchester Capital Advisors, LLC, as the general partner of a Delaware limited partnership: Dorchester Capital Partners, L.P., a Delaware limited partnership (“DCP” or the “Onshore Fund”). DCA is also the managing member of Dorchester Asset Class Replicator, LLC (“DACR”), a Delaware limited liability company. Both DCP and DACR have redeemed all investors and will be formally terminated in 2020.

Each of the Funds listed above are referred to collectively as the “Dorchester Funds.”

Dorchester serves as the general partner, manager or investment manager of each of the Dorchester Funds and, as such, they are responsible for implementing each Dorchester Fund’s investment objectives and strategies.

The investment objective of each of the Private Equity Funds is to seek to achieve capital appreciation by investing, directly or in the secondary market, in private equity funds, including, without limitation, buyout funds, mezzanine funds, hedge funds and venture capital funds (each an “Investment Fund,” and, collectively, all investments made by a Dorchester Fund, “Investment Funds”), without restriction on such funds’ industry, sector, country focus or stage.

The investment objective of each of the Secondaries Funds is to achieve capital appreciation primarily by acquiring interests in or from existing private funds (also “Investment Funds”) in secondary market transactions. DCS Offshore II invests substantially all of its assets in DCS II. DCS II then invests directly in Investment Funds. DCS III, DCS Offshore III, DCS IV, DCS Offshore IV, DCS V and DCS Offshore V are standalone entities and invest on their own; however, there is intended to be a number of the same investments in each fund pair. This may not always be the case because of tax considerations or because of lack of availability of investments for one of the fund pairs. Additional disclosure regarding the investment objective of DCS V, DCS Offshore V and DCSO Master V is provided below. DCA has adopted an allocation policy to address the allocation of limited investment opportunities between DCS V, DCS Offshore V and DCSO Master V (collectively, “Fund V”), which is described in greater detail in Item 6 of this Brochure and in each fund’s private placement memorandum.

The investment objective of Fund V is to seek to achieve capital appreciation, primarily by acquiring limited partner, general partner, equity, credit or other participation claims or interests in or from Investment Funds generally in secondary market transactions, and may include investing in or with a general partner or manager to accomplish a fund restructuring, or may include directly acquiring

the same or similar assets, credit, claims, interests or securities in, of or from Investment Funds. For this purpose, the term “Investment Funds” includes generally, hedge, credit including distressed debt, private equity, direct lending, real estate, venture capital, special purpose and other similar investment funds or vehicles managed by third parties.

Fund V may also invest directly into portfolio companies, and/or make other equity or debt investments including, but not necessarily limited to, credit, claims, interests, securities, originations, investments in side car/special investment opportunities and/or primary allocations to Investment Funds (collectively, “Direct Investments”).

The investment objective of DCCOO is to seek to achieve capital appreciation by investing in credit and credit-related hedge, private equity and special opportunity funds.

Each Fund may invest in shares, interests or units of the other funds sponsored by DCA or a DCA affiliate (“Affiliated Funds”) and may co-invest with Affiliated Funds or Investment Fund sponsors in certain transactions. To date, only DCCOO has invested in an Affiliated Fund, DCS Offshore III.

Among other things, Fund V may (i) co-invest with one or more of such Affiliated Funds and separately managed accounts in certain Investment Funds and/or Direct Investments, and (ii) invest in funds offered by or enter into other investment management arrangements with Underlying Managers in which Affiliated Funds and separately managed accounts may or may not also invest or participate. In addition, Fund V may invest in one or more follow-on investment opportunities that arise as a result of an existing interest held by an Affiliated Fund in an Investment Fund or a Direct Investment in the event such Affiliated Fund is unwilling or unable to make such investment. Conversely, an Affiliated Fund may invest in one or more follow-on investment opportunities that arise as a result of an existing interest held by Fund V in an Investment Fund or a Direct Investment in the event that Fund V is unwilling or unable to make such investment.

Each Dorchester Fund may also invest in short-term debt securities, money market instruments and interests in one or more investment companies or funds that invest in comparable investments.

The Advisor tailors its advisory services to the specific objectives of each Dorchester Fund. It does not tailor its investment advice to the investment objectives or specific needs of any investor in a Dorchester Fund (each, a “limited partner” of that Dorchester Fund).

Each Dorchester Fund (other than DCS V, DCS V Offshore, DCSO Master V, and DCCOO) is fully invested and not making new investments or accepting new investors.

The original DCA was founded in 2001 and DPEM was founded in December 2005. Mark Steven Zucker, an original founder, is the managing member and Chief Investment Officer (“CIO”) of DCA. As of December 31, 2019, DCA managed approximately \$1,074 million on a discretionary basis on behalf of the Dorchester Funds. DCA does not manage any assets on a non-discretionary basis.

Item 5. - Fees and Compensation

For its services to each Dorchester Fund (other than to SPV, which has never charged management fees, and DPE, DCS II and DCS II Offshore, which have waived their fees going forward) DCA is entitled to receive management fees. Each relevant Dorchester Fund's management fees are payable quarterly in advance.

The management fee payable to DCA by DSO II for each calendar quarter is one-fourth of 1.00% of the amount of all capital contributions used by DSO II to make investments or committed, as evidenced by a written contract, letter of intent or heads of agreement, for making investments or meeting capital calls with respect thereto, less write-offs and write downs, determined by reference to the income tax basis of the investment ("Invested Capital").

Fund V is still in its "Investment Period." During the remainder of the Investment Period, the Management Fee payable to DCA by Fund V for any calendar quarter is one-fourth of 1.00% (0.25%) of each Fund V's limited partners' capital commitment. Thereafter, the management fee for any calendar quarter is one-fourth of 0.75% (0.1875%) of Fund V's limited partner's capital account balances as of the last day of the prior calendar quarter, except that, after the date which is the fifth anniversary of the January 1, 2020 closing, the management fee for any calendar quarter will be 0.125% of each DCS V or DCS Offshore V limited partner's capital account balance as of the last day of the prior calendar quarter.

Management fees are pro-rated for quarters of less than three calendar months. Each limited partner of a Dorchester Fund generally bears its *pro rata* share of the management fees paid by that Dorchester Fund to the relevant Advisor. In addition, if limited partners are admitted to a Dorchester Fund other than the first day of calendar quarter, or after the initial closing date of a Dorchester Fund, the relevant Advisor may charge an additional management fee for such calendar quarter and/or otherwise adjust allocations to the partners of that Fund.

The management fee with respect to any limited partner of a Dorchester Fund may be waived or modified in whole or in part by the relevant Advisor, in its sole and absolute discretion.

Generally, for Dorchester Funds still in their Investment Periods, DCA requests the amount of the quarterly management fee in the first month of the quarter. The applicable Dorchester Fund's administrator/custodian makes the payment. For Dorchester Funds outside their Investment Periods, once the prior quarter numbers are finalized, DCA requests the amount of the management fee from the applicable Dorchester Fund administrator/custodian. Dorchester reconciles its internal management fees and the amounts calculated by the applicable Dorchester Fund administrator on a quarterly basis, with any differences being included in the next quarterly payment.

In addition to management fees, Dorchester is entitled to a distribution of profits (a "Carried Interest") from each Dorchester Fund, other than DCS II Offshore and DCCOO. DCA is not entitled to a Carried Interest in DCS II Offshore; however, as a limited partner of DCS II, DCS II Offshore (and each limited partner thereof) bears its share of the Carried Interest paid by DCS II to DCA. The Carried Interest is payable to DCA only after payment to the limited partners of a return of capital contributions, plus a specified rate of return. The specified rates of return range from

generally 8%-10%. After payment of the specified return to limited partners, DCA receives 100% of the distributions until it has received an amount ranging from 10%-20% of the aggregate amounts distributed to the limited partners. Thereafter, the limited partners and DCA share in the profits in specified percentages. DCA's share ranges from 10%-20% of the profits. Upon dissolution of a DCA Fund, DCA is required to restore funds to the relevant Dorchester Fund to the extent that DCA has received cumulative Carried Interest distributions in excess of the amount that DCA was entitled to receive on a cumulative basis (with a netting of gains and losses), provided, that in no event is DCA required to restore more than the cumulative distributions received by it with respect to its Carried Interest net of tax liabilities incurred by DCA and its members with respect to such distributions. For DPE, the specified rate of return is 8% and DCA's distribution and profits percentage is 10%. For DSO II, the specified rate of return is 8% and DCA's distribution and profits percentage is 15%. For the Secondaries Funds, the specified rate of return is 8% and DCA's distribution and profits percentage is between 15%-20%.

For DCCOO, DCA receives an incentive allocation based on DCCOO's performance so long as it attains a specified rate of return (a "Performance Fee"). The specified rate of return for DCCOO is 6% and the incentive allocation is 10%.

Different classes or tranches of shares or interests within a Dorchester Fund may pay different management fees or performance allocations. Dorchester Fund-level management fees and performance allocations may be reduced or waived in certain circumstances, including with respect to investments (1) by a Dorchester Fund in another Dorchester Fund (2) by members, officers and/or employees of Dorchester. DCA may also waive, reduce or modify the Carried Interest with respect to any limited partner, in whole or in part, in its sole and absolute discretion.

Although fees are generally not negotiable, an Advisor may cause a Dorchester Fund to enter into separate agreements with certain Dorchester Fund investors that provide for fee terms that are different than those generally applicable to investors in that same class or tranche of a Dorchester Fund.

The Dorchester Funds purchase interests in and shares of Investment Funds and, therefore, investors in the Dorchester Funds are paying multiple layers of fees in such circumstances. Investors in a Dorchester Fund generally pay a management fee and carried interest or performance allocation to one of the Advisors and, indirectly through the Dorchester Fund's investments in Investment Funds, pay an additional management fee and/or performance fee or allocation to the underlying managers of Investment Funds ("Underlying Managers").

The fees and allocations charged to a Dorchester Fund are described in more detail in that Dorchester Fund's offering documents.

Each Dorchester Fund bears its transaction (*e.g.*, brokerage commissions), administrative, custody, legal (including blue sky compliance), technology costs and expenses associated with the research and monitoring of Dorchester Fund investments (including specific travel related costs), insurance expenses (including a portion of the D&O and E&O policies covering the Advisors and their personnel), tax preparation, accounting and audit expenses, and any expenses for services that the Dorchester Fund requires the relevant Advisor to obtain. Each Advisor is reimbursed for any of

such expenses it bears on a Dorchester Fund's behalf. In addition to a Dorchester Fund's direct expenses, each Dorchester Fund, as an investor in Investment Funds, indirectly bears its own *pro rata* share of the expenses of those Investment Funds. These indirect expenses may include, without limitation, a Dorchester Fund's *pro rata* share of an Investment Fund's investment expenses (including, but not limited to, legal fees, research expenses, custodial fees and brokerage commissions) and overhead expenses (such as rent, personnel expenses, equipment, supplies, management and consulting fees and similar expenses) and any profit participations or carried interests for Underlying Managers.

Each Dorchester Fund may also invest in shares, interests or units of Affiliated Funds. In addition, as described above, DCS II Offshore invests in interests of DCS II. Except as set forth above in this Item 5, no Advisor that serves as investment manager, general partner or adviser of such fund will receive any management fees, incentive allocation or performance fees from a Dorchester Fund's investment in the Affiliated Fund, unless the Dorchester Fund being invested into charges a higher fee than the Dorchester Fund that is investing, in which case the difference may be charged.

A discussion of Dorchester's brokerage policies and procedures is set forth in Item 12, to the extent applicable. These policies are limited, however, because the Dorchester Funds generally invest in Investment Funds in private transactions and do not use broker/dealers to effect securities transactions.

Item 6. - Performance Based Fees and Side-by-Side Management

As stated in the Fees and Compensation section above, the Advisors receive a Carried Interest or a Performance Allocation from most Dorchester Funds.

The fact that Dorchester is compensated based on performance may create an incentive for Dorchester to make investments on behalf of the Dorchester Funds that are riskier or more speculative than would be the case in the absence of such compensation arrangements.

DCA's portfolio managers make investment decisions for all of the Dorchester Funds. As a result, Dorchester may have an incentive to favor accounts through allocation of investments to Dorchester Funds in which the required returns to limited partners prior to payment of the Carried Interest are lower, thus creating a greater possibility of payment of the Carried Interest, or to Dorchester Funds in which the Carried Interest percentage is higher.

In counteracting such incentives, Dorchester has designed and implemented policies and procedures to ensure that all Dorchester Funds are treated fairly in connection with allocation of investment opportunities, and to prevent any conflict of interest from influencing allocations of these investment opportunities. In the event that two or more Dorchester Funds purchase or sell interests or shares in the same Investment Fund, it is Dorchester's general policy to allocate purchase or sale opportunities on a *pro rata* basis to all appropriate Dorchester Funds. In the case of purchase opportunities, this determination will be made by reference to the approximate net asset value of the appropriate Dorchester Funds, and, in the case of sales, the approximate net asset value of

interests or shares owned by all appropriate Dorchester Funds. In the rare event that Dorchester offers a Co-Investment opportunity, it is Dorchester's practice to offer such opportunities first to investors that have requested access to these opportunities and signed side letters with the firm. If there is still opportunity to invest beyond such large investors, Dorchester would then open it to all investors associated with the fund or funds through which such opportunity arose.

Allocations of purchases of interests or shares in Investment Funds in secondary market transactions ("SMP," "Secondary" or "Secondaries") may be appropriate for Fund V (collectively, or DCCOO (the only Dorchester Funds that are not fully invested and are still making new investments). Notwithstanding the *pro rata* allocation policy described above, allocations to DCCOO may be made only if the size (based on purchase price) of the SMP is greater than 2% of committed capital in Fund V. When a Secondary exceeds 2% of the committed capital of Fund V at cost, and another Dorchester Fund would like to participate, then the allocations of the amount above 2% will be made *pro rata* to the requested amount so long as the requested amounts are within the sizing guidelines mentioned below. Wherever there is excess or it is hard to split, the bias is to allocate to Fund V as they are structured to better match the possible long tail liquidity, and less predictable and infrequent cash flows. The participation of Dorchester Funds other than Fund V is dependent on the cash flow and capacity of the other Dorchester Funds, as well as other criteria specific to each Secondaries Fund.

Further, Fund V has further guidelines delineating the allocation of SMP opportunities between themselves, relating to the tax ramifications of investments and the size of the allocation. The guidelines may be found in greater detail in each Dorchester Fund's private placement memorandum or the firm's Compliance Manual, which address both domicile and tax treatment issues.

If an applicable member of management responsible for the Dorchester Funds' investments, such as the Chief Investment Officer ("CIO") or Director of Research, believes that an exception should be made to any of Dorchester's allocation policies, the CIO will be required to raise such proposed exception before a group consisting of the CFO/Chief Compliance Officer ("CCO"), COO and the Director of Research ("Management Team"). The Management Team, as a whole, will then discuss the matter and will only recommend to the CCO an exception to Dorchester's allocation policies if it determines that, under the circumstances, such exception would be in the best interests of the Dorchester Funds and their investors.

Item 7. - Types of Clients

DCA is the general partner of each Dorchester Fund pursuant to the organizational documents of each Dorchester Fund. *See* Item 4, above.

Each investor in a Dorchester Fund generally must be (1) an "accredited investor," as defined in Regulation D under the U.S. Securities Act of 1933, as amended ("1933 Act") and (2) a "qualified purchaser" under the U.S. Investment Company Act of 1940, as amended ("1940 Act"), and the rules thereunder.

Each Dorchester Fund also has a minimum required investment amount of \$2,000,000, which amount may be waived by Dorchester in its sole and absolute discretion.

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

The Dorchester Funds focus on the merits of individual transactions. Each Secondaries Fund's success will primarily depend on the initial purchase discounts obtained when acquiring interests in Investment Funds, as well as capital appreciation derived from the performance of the Investment Funds and Direct Investments. Each Private Equity Fund's success is subject to many factors, including (1) DCA's ability to successfully select investments, (2) the quality of the Underlying Managers and the management of the companies in which the Investment Funds invest, (3) general economic and market conditions and (4) the Investment Funds' ability to liquidate their investments on a profitable basis.

The Secondaries Funds and Private Equity Funds may invest without restriction to the industry, sector, country or stage of such investments. The Secondaries Funds and Private Equity Funds do not invest in Investment Funds with a particular strategy or strategies. DCCOO focuses on credit-oriented funds and direct credit investments.

Dorchester's broad experience within various parts of the investment management industry provides a large network from which it can source potential Investment Funds and Direct Investments. Dorchester's Research Team's expertise comes from a variety of backgrounds including Wall Street investment banking, research and trading, private equity, institutional investment and hedge fund management. Dorchester's team includes professionals who have built relationships over many years each in their respective disciplines. Mark Zucker, the Advisor's Managing Member and CIO, previously founded and ran his own hedge fund.

In considering potential investments for the Dorchester Funds, Dorchester will undertake a review of the prospective Investment Fund and its management, examine such criteria as the relative experience of management and the performance of their prior investments, the terms of the offering documents, and the portfolio diversification of the Investment Fund. Dorchester will also generally review the underlying assets of the Investment Fund in order to arrive at an independent estimate of that Investment Fund's intrinsic value.

All investing involves a risk of loss, including loss of principal invested. There are certain risks involved in the strategies pursued by Dorchester for the Dorchester Funds. Certain of these risks are described below. A potential investor in a Dorchester Fund, however, will be provided with offering documents that contain a more fulsome discussion of the risks involved in such an investment and the applicable Dorchester Fund's investment activities.

General Risks

Multiple Investment Managers. Because the Dorchester Funds invest in Investment Funds generally managed by unaffiliated Underlying Managers that make their trading decisions independently, it is theoretically possible that one or more of such Underlying Managers may, at any time, take investment positions that are opposite of positions taken by other Underlying Managers. It is also possible that the Underlying Managers selected by Dorchester may on occasion be competing with each other for similar positions at the same time. Also, a particular Underlying Manager may take positions for its other clients that are opposite to positions taken for an Investment Fund selected by Dorchester.

Multiple Layers of Fees and Expenses. The Dorchester Funds invest a substantial portion of their assets in Investment Funds. While providing investors with diversification, this multi-manager approach also exposes investors to several layers of fees, incentive allocations and expenses. In addition to the fees paid to an Advisor, each Investment Fund may charge a management fee, an incentive allocation and/or a performance fee and may incur expenses. It is expected that Investment Funds' management fees will generally be 1% to 2% and the incentive allocations, performance fees and/or carried interests will generally be 10% to 20%. These fees and expenses reduce the returns generated by a Dorchester Fund and, in the aggregate, may be higher than fees charged by investment funds with a single manager. The returns realized by Dorchester Fund investors may be substantially less than the returns the investors would realize from engaging in the same activities directly, if they were able to make such investments directly without investing in a Dorchester Fund.

Access to Information from Underlying Managers. Dorchester may request information from each Underlying Manager regarding the Underlying Manager's historical performance and investment strategy. Dorchester may also request detailed portfolio information on a continuing basis from each Underlying Manager retained on behalf of a Dorchester Fund. However, Dorchester may not always be provided with such information because, for example, certain of this information may be considered proprietary information by the particular Underlying Manager. This lack of access to information may make it more difficult for Dorchester to select, evaluate and monitor Underlying Managers and their Investment Funds.

Limited Ability to Verify Valuation Information. The value of a Dorchester Fund's investment in an Investment Fund will generally be determined in accordance with the valuation policies of the Investment Fund and its Underlying Manager. Such valuations will generally be calculated by the Investment Fund, the Underlying Manager or its agent, not by the Dorchester Fund, any Dorchester Fund administrator or Dorchester. A Dorchester Fund, as an investor in an Investment Fund, has only limited access to the portfolio holdings of such Investment Fund and, thus, the Dorchester Fund and the relevant Advisor may have a limited ability to independently verify the valuation information provided by the Investment Fund and Underlying Manager. Dorchester relies on operational due diligence performed on such Investment Funds and on the Investment Funds' independent financial statement audit in order to get comfortable with the valuations received from the Underlying Managers.

Liquidity Risk. Each Dorchester Fund represents a long-term investment. There is no public market for the interests in the Dorchester Funds, which interests may generally not be withdrawn, redeemed, assigned, transferred or encumbered without Dorchester's prior written approval (which it may withhold in its sole and absolute discretion). In particular, the Dorchester Funds (other than DCCOO) do not offer any periodic redemption rights. There generally exists a very thinly traded or no market for the investments made by the Dorchester Funds or made by the Underlying Managers in underlying companies and/or investments, and such trading may be restricted under federal and state securities laws.

Additional Risks of Investment in the Private Equity Funds

Private Equity/ Venture Investing. The Private Equity Funds' success is subject to many factors, including (1) DCA's ability to successfully select Investment Funds, (2) the quality of the Underlying Managers and the management of the companies in which the Investment Funds invest, (3) general economic and market conditions and (4) the Investment Funds' ability to liquidate their investments on a profitable basis. Many of the companies in which the Investment Funds invest may have little operating history, may not be operating profitably, may have limited or no revenue, may be thinly capitalized and may operate in new or developing industries and/or in developing countries. In addition, many of the Underlying Managers may have no prior operating history or track record on which to rely. As a result, an investment in a Private Equity Fund carries a high degree of business and financial risk and may result in substantial losses.

Illiquidity. There generally exists a very thinly traded or no market for the investments made by the Private Equity Funds or made by the Underlying Managers in underlying companies and investments and such trading may be restricted under federal and state securities laws. In general, it takes several years for these underlying companies to reach a stage of maturity at which realization events could occur, and some never reach this stage. Accordingly, it is unlikely that any significant distributions will be realized until the later stages of a Private Equity Fund's term or that an investor will have an opportunity to liquidate its interests in the event of an unanticipated need for cash.

Emerging and Third-World Markets. The Private Equity Funds may invest with Underlying Managers that invest in emerging markets and/or third-world countries. The securities markets of emerging and third-world countries are generally smaller, less developed, less liquid, and more volatile than the securities markets of the United States and developed foreign markets. Disclosure and regulatory standards in many respects are less stringent than in the United States and developed foreign markets. Accounting and auditing standards in many markets are different, sometimes significantly, from those applicable in the United States or Europe, and may be less developed and less stringent than those of developed markets. There is substantially less publicly available information about companies located in emerging and third-world markets than there is about companies in other more developed jurisdictions. There also may be a lower level of monitoring and regulation of securities markets in emerging market and third-world countries and the activities of investors in such markets and enforcement of existing regulations has been extremely limited.

Many emerging and/or third-world countries have experienced substantial, and in some periods extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation

rates have had and may continue to have very negative effects on the economies and securities markets of certain emerging and third-world countries.

In many cases, governments of emerging and third-world countries continue to exercise significant control over their economies, and government actions relative to the economy, as well as economic developments generally, may affect companies doing business in these jurisdictions. In addition, there is a heightened possibility of expropriation or confiscatory taxation, imposition of withholding taxes on interest payments, or other similar developments that could affect investments in those countries. There can be no assurance that adverse political changes, or changes in laws and regulations, will not cause the Private Equity Funds to suffer a loss of any or all of its investments.

The Private Equity Funds are also subject to *Currency Risk*, as described below.

Additional Risks of Investing in the Secondaries Funds

Investment Strategies. The success of the Secondaries Funds depends on DCA's ability to purchase interests in Investment Funds in secondary market transactions at what DCA believes are attractive prices. Some of these Investment Funds may already have suspended the determination of their net asset values and/or redemptions, gated redemption requests and/or a substantial portion of their investments may be illiquid and/or more difficult to value. Accordingly, it may be more difficult to value interests in these Investment Funds and for DCA to determine the appropriate price to pay for these interests. DCA intends to purchase these interests at a discount to stated net asset value, and to obtain when possible, prior to purchase, a commitment from the Underlying Manager to transfer any high water mark from the transferor to a Secondaries Fund and to preserve any partial or complete satisfaction of any lock-up period by the transferor for a Secondaries Fund's benefit.

Success also depends on each Underlying Manager's ability to select individual securities, to correctly interpret market data, predict future market movements and otherwise implement its investment strategy. When DCA invests in Direct Investments, success also depends on DCA's ability to select and monitor these investments.

There can be no assurance that a Secondaries Fund will be able to purchase interests in any particular Investment Fund at an attractive price or at all. No assurance can be given that the investment strategies to be used by a Secondaries Fund or an Investment Fund will be successful under all or any market conditions.

Portfolio Company Risk. The portfolio companies in which the Secondaries Funds directly or indirectly invest (either through debt or equity investments or both) may involve a high degree of business and financial risk. Portfolio companies may be in early stages of development, may have operating losses or significant variations in operating results and may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence. Portfolio companies may also include companies that are experiencing or are expected to experience financial difficulties, which may never be overcome. In addition, they may have weak financial conditions and may require substantial additional capital to support their operations, to finance expansion or to maintain their competitive positions. Portfolio companies may face intense competition,

including competition from companies with greater financial resources, more extensive development, manufacturing, marketing, and other capabilities and a larger number of qualified managerial and technical personnel.

Many of the portfolio companies may be highly leveraged, which may impair their ability to finance their future operations and capital needs and may result in restrictive financial and operating covenants. As a result, such companies' flexibility to respond to changing business and economic conditions and to business opportunities may be limited. In addition, in the event that such companies do not perform as anticipated or incur unanticipated liabilities, high leverage will magnify the adverse effect on the value of the companies' equity and could result in substantial diminution in, or the total loss of, equity investments in such companies.

Illiquidity of Certain Direct Investments. The Secondaries Funds may make one or more Direct Investments, which may include investments in privately held portfolio companies. It is unlikely that there will be a public market for any such Direct Investments and, as such, a Secondaries Fund will generally not be able to sell its interest in any such privately held portfolio company unless the interests are registered under applicable securities laws or an exemption from registration is available. Furthermore, a Secondaries Fund may also be subject to contractual limitations on its ability to sell its interest in a privately held portfolio company. As a result, a Secondaries Fund's ability to dispose of any Direct Investments in privately held portfolio companies will likely be limited, and it may be required to hold such an investment for a number of years. There is no assurance that a Secondaries Fund will be able to dispose of any such investment prior to the termination of its term.

Borrowing and Leverage. The Secondaries Funds may borrow (i) for currency hedging purposes, (ii) to purchase an interest in (or satisfy an obligation to) an Investment Fund and/or any Secondaries Fund investment, on a short-term or long-term basis, and/or (iii) to pay expenses of the Secondaries Fund, including the management fee, pending receipt of capital contributions. Although it is not anticipated that the Secondaries Funds will undertake substantial indebtedness, there is no express limitation on the amount the Secondaries Funds may borrow. The use of long-term leverage by the Secondaries Funds magnifies both the favorable and unfavorable investment results and, as such, increases the potential risk of losses that may be sustained by the Secondaries Fund. In addition, the failure of the partners to meet capital calls on a timely basis could cause a Secondaries Fund to default on its borrowing obligations and could subject a Secondaries Fund to additional interest and penalties in connection with such a default.

Furthermore, it is anticipated that certain Investment Funds will employ forms of borrowing typical to the financing of securities in capital markets, and may also enter into credit agreements, including, without limitation, revolving credit agreements, in order to finance certain assets. Such a credit agreement may be subject to a number of conditions including, without limitation, covenants relating to the activities and financial condition of the Investment Fund, conditions of lending, representations and warranties, and events of default. Failure to comply with the terms and conditions of such a credit agreement may cause an event of default under the credit agreement, which could permit the lenders to refuse to fund additional loans and/or foreclose on the collateral in which the lenders have a security interest, and there can be no assurance that it will be able to obtain a replacement credit facility or that, if one is obtained, it will be able to make timely borrowings under the facility to acquire assets or to fund working capital advances or that

borrowings, when made, will be under terms advantageous to it. Leverage magnifies both the favorable and unfavorable effects of price movements in the investments made by an Investment Fund, all of which may subject the Secondaries Funds and the limited partners to substantial risk of loss.

Short Selling. Some of the Investment Funds will engage in short selling, as part of a general investment strategy or for hedging purposes. In addition, the Secondaries Funds may engage in short selling in certain circumstances. Short selling involves selling securities that are not owned and borrowing the same securities for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows a Secondaries Fund or an Investment Fund, as applicable, to profit from declines in market prices to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. However, because the borrowed securities must be replaced by purchases at market prices in order to close out the short position, any appreciation in the price of the borrowed securities would result in a loss upon such repurchase. A Secondaries Fund's or an Investment Fund's obligations under its short sales will be marked-to-market daily and collateralized by that Secondaries Fund's or Investment Fund's assets held at the broker, including its cash balance and its long securities positions. Because short sales must be marked-to-market daily, there may be periods when the short sales must be settled prematurely, and a substantial loss would occur.

Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. Short selling exposes an Investment Fund (and thus a Fund) to unlimited risk with respect to that security due to the lack of an upper limit on the price to which an instrument can rise.

Equity Securities. The value of the securities held by the Secondaries Funds (directly or indirectly through the Investment Funds) are subject to market risk, including changes in economic conditions, growth rates, profits, interest rates and the market's perception of these securities. A Secondaries Fund's net asset value will increase and decrease, reflecting fluctuations in the value of the underlying securities held either directly by the Secondaries Fund or held indirectly through an Investment Fund.

Debt and Other Income Securities. Investment Funds may invest in fixed-income and adjustable-rate securities. The Secondaries Funds may also make such investments directly. Income securities are subject to interest rate, market and credit risk. Interest rate risk relates to changes in a security's value as a result of changes in interest rates generally. Even though such instruments are investments that may promise a stable stream of income, the prices of such securities are generally inversely affected by changes in interest rates and, therefore, are subject to the risk of market price fluctuations. In general, the values of fixed income securities increase when prevailing interest rates fall and decrease when interest rates rise. Because of the resetting of interest rates, adjustable rate securities are less likely than non-adjustable rate securities of comparable quality and maturity to increase or decrease significantly in value when market interest rates fall or rise, respectively. Market risk relates to the changes in the risk or perceived risk of an issuer, country or region. Credit risk relates to the ability of the issuer to make payments of principal and interest. The values of income securities may be affected by changes in the credit rating or financial

condition of the issuing entities. Income securities denominated in non-U.S. currencies are also subject to the risk of a decline in the value of the denominating currency relative to the U.S. dollar.

The debt securities in which the Investment Funds or the Secondaries Funds may invest are not necessarily required to satisfy any minimum credit rating standard and may include instruments that are considered to be of relatively poor standing and have predominantly speculative characteristics with respect to capacity to pay interest and repay principal. The Investment Funds or the Secondaries Funds may invest in bonds rated lower than investment grade, which may be considered speculative. The Investment Funds may also invest a substantial portion of their assets in high-risk instruments that are low rated or unrated.

Convertible Securities. The Secondaries Funds and/or one or more Investment Funds may invest in convertible securities (“Convertibles”), which are generally debt securities or preferred stocks that may be converted into common stock. Convertibles typically pay current income as either interest (debt security convertibles) or dividends (preferred stocks). A Convertible’s value usually reflects both the stream of current income payments and the value of the underlying common stock. The market value of a Convertible performs like that of a regular debt security; that is, if market interest rates rise, the value of a Convertible usually falls. Since it is convertible into common stock, the Convertible generally has the same types of market and issuer risk as the underlying common stock. Convertibles that are debt securities are also subject to the normal risks associated with debt securities, such as interest rate risks, credit spread expansion and ultimately default risk, as discussed below. Convertibles are also prone to liquidity risk, as demand can dry up periodically, and bid/ask spreads on bonds can widen significantly.

An issuer may be more likely to fail to make regular payments on a Convertible than on its other debt because other debt securities may have a prior claim on the issuer’s assets, particularly if the Convertible is preferred stock. However, Convertibles usually have a claim prior to the issuer’s common stock.

In addition, for some Convertibles, the issuer can choose when to convert to common stock or can “call” (redeem) the Convertible. An issuer may convert or call a Convertible when it is disadvantageous for a Secondaries Fund or Investment Fund, causing such Secondaries Fund or Investment Fund (and, indirectly, the Secondaries Fund) to lose an opportunity for gain. For other Convertibles, a Secondaries Fund or Investment Fund can choose when to convert the security to common stock or to put (sell) the Convertible back to the issuer. Because convertible arbitrage also involves the short sale of underlying common stock, the strategy is also subject to stock-borrow risk, which is the risk that a Secondaries Fund or Investment Fund will be unable to sustain the short position in the underlying common shares.

Derivatives. The Secondaries Funds and/or certain Investment Funds may trade derivatives (“Derivatives”). These are financial instruments that derive their performance, at least in part, from the performance of an underlying asset, index or interest rate. The Derivatives a Secondaries Fund or an Investment Fund may use include, without limitation, futures, options, swaps, swaptions, caps, floors and collars.

Derivatives can be volatile and involve various types and degrees of risk, depending upon the characteristics of the particular Derivative and the portfolio as a whole. Derivatives permit a

Secondaries Fund or an Investment Fund to increase or decrease the level of risk, or change the character of the risk, to which its portfolio is exposed in much the same way as the Secondaries Fund or the Investment Fund can increase or decrease the level of risk, or change the character of the risk, of its portfolio by purchasing or selling specific securities.

Derivatives may entail investment exposures that are greater than their cost would suggest, meaning that a small investment in Derivatives could have a large potential impact on a Secondaries Fund's or an Investment Fund's performance. The risks generally associated with Derivatives include the risks that: (a) the value of the Derivative will change in a manner detrimental to the Secondaries Fund or the Investment Fund; (b) before purchasing the Derivative, the Secondaries Fund or the Investment Fund will not have the opportunity to observe its performance under all market conditions; (c) another party to the Derivative may fail to comply with the terms of the Derivative contract; (d) the Derivative may be difficult to purchase or sell; and (e) the Derivative may involve indebtedness or economic leverage, such that adverse changes in the value of the underlying asset could result in a loss substantially greater than the amount invested in the derivative itself or in heightened price sensitivity to market fluctuations.

If a Secondaries Fund or an Investment Fund invests in Derivatives at inopportune times or if DCA or the Underlying Manager, as applicable, judges market conditions incorrectly, such investments may lower the Secondaries Fund's or the Investment Fund's return or result in a loss. A Secondaries Fund or an Investment Fund also could experience losses if its Derivatives were poorly correlated with its other investments or if a Secondaries Fund or an Investment Fund were unable to liquidate its position because of an illiquid secondary market. The market for many Derivatives is, or suddenly can become, illiquid. Changes in liquidity may result in significant, rapid and unpredictable changes in the prices for Derivatives. The assets of a Secondaries Fund or an Investment Fund may be pledged as collateral in swap and other Derivatives transactions. Thus, if a Secondaries Fund or an Investment Fund defaults on such an obligation, the counterparty may be entitled to some or all of the assets of the Secondaries Fund or the Investment Fund as a result of the default.

Derivatives may be purchased on established exchanges or through privately negotiated transactions referred to as over-the-counter ("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, generally no clearing agency guarantees OTC Derivatives. Therefore, each party to an OTC Derivative bears the risk that the counterparty will default. Accordingly, it is anticipated that DCA or an Underlying Manager, as applicable, will consider the creditworthiness of counterparties to OTC Derivatives in the same manner as it would review the credit quality of a security to be purchased by the Secondaries Fund or the Investment Fund it manages. OTC Derivatives are less liquid than exchange-traded Derivatives since the other party to the transaction may be the only investor with sufficient understanding of the Derivative to be interested in bidding for it.

A Secondaries Fund or an Investment Fund may take advantage of opportunities in any other Derivatives that are not presently contemplated for use or that are not currently available but that

may be developed, to the extent such opportunities are both consistent with a Secondaries Fund's or an Investment Fund's investment objective and legally permissible for such Secondaries Fund or such Investment Fund.

OTC Transactions. A Secondaries Fund or an Investment Funds may invest in derivative instruments that are not traded on organized exchanges and, as such, are not standardized. These transactions are known as OTC transactions. In general, there is less governmental regulation and supervision in the OTC markets than of transactions entered into on an organized exchange. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, will not be available in connection with OTC transactions. This exposes a Secondaries Fund or an Investment Fund to the risks that a counterparty will not settle a transaction because of a credit or liquidity problem or because of disputes over the terms of the contract. In addition, a Secondaries Fund or an Investment Fund investing in OTC transactions will be subject to the risk of the inability of counterparties to perform with respect to transactions, whether due to insolvency, bankruptcy, governmental prohibition or other causes, which could subject the Secondaries Fund or the Investment Fund (and indirectly, the investing Fund) to losses.

Non-U.S. Investments. Investment in non-U.S. issuers or securities principally traded outside the United States may involve certain special risks due to economic, political and legal developments, including favorable or unfavorable changes in currency exchange rates, exchange control regulations (including currency blockage), expropriation of assets or nationalization, imposition of withholding taxes on dividend or interest payments, and possible difficulty in obtaining and enforcing judgments against non-U.S. entities. Furthermore, issuers of non-U.S. securities are subject to different, often less comprehensive, accounting reporting and disclosure requirements than domestic issuers. The securities of some foreign governments and companies and foreign securities markets are less liquid and at times more volatile than comparable U.S. securities and securities markets. The foregoing risks associated with non-U.S. investments are even greater in emerging markets.

Non-U.S. Exchanges and Markets. A Secondaries Fund or an Investment Fund may engage in trading on non-U.S. exchanges and markets. Trading on such exchanges and markets may involve certain risks not applicable to trading on U.S. exchanges and is frequently less regulated. For example, certain of those exchanges may not provide the same assurances of the integrity (financial and otherwise) of the marketplace and its participants, as do U.S. exchanges. There also may be less regulatory oversight and supervision by the exchanges themselves over transactions and participants in such transactions on those exchanges. Some non-U.S. exchanges, in contrast to U.S. exchanges, are "principals' markets" in which performance is the responsibility only of the individual member with whom the trader has dealt and is not the responsibility of an exchange or clearing association. Furthermore, trading on certain non-U.S. exchanges may be conducted in such a manner that all participants are not afforded an equal opportunity to execute certain trades and may also be subject to a variety of political influences and the possibility of direct government intervention. Investment in non-U.S. markets is also subject to the risk of fluctuations in the exchange rate between the local currency and the dollar and to the possibility of exchange controls. Foreign brokerage commissions and other fees are also generally higher than in the United States.

Currency Risk. The value of a Secondaries Fund's or an Investment Fund's assets may be affected favorably or unfavorably by the changes in currency rates and exchange control regulations. Some currency exchange costs may be incurred when an Investment Fund changes investments from one country to another. Currency exchange rates may fluctuate significantly over short periods of time. They generally are determined by the forces of supply and demand in the respective markets and the relative merits of investments in different countries, actual or perceived changes in interest rates and other complex factors, as seen from an international perspective. Currency exchange rates can also be affected unpredictably by intervention by governments or central banks (or the failure to intervene) or by currency controls or political developments.

Portfolio Valuation. Where the Firm is responsible to price a client's portfolio for fee billing or investment performance calculation purposes, the Firm will generally use pricing information provided by an independent pricing service (the "Primary Pricing Source"). Based on Dorchester's investment style and the types of securities in which Dorchester generally invest on behalf of the Dorchester Funds (see Item 8, "Methods of Analysis, Investment Strategies and Risk of Loss," below for additional information), the Primary Pricing Source is typically able to provide pricing information for securities included within the Dorchester Funds' portfolios. In the event the Primary Pricing Source is unable to obtain a price the Firm will determine a fair value for that security.

When determining a fair value, Dorchester's objective is to identify a price Dorchester believes the Dorchester Fund could reasonably receive in a sale between market participants at the specific measurement date without forced liquidation.

Dorchester would encounter a clear conflict when fair valuing securities, as Dorchester has an incentive to value these securities higher in an effort to generate greater management and incentive fees and higher investment returns. Dorchester has controls in place to mitigate this conflict, including: 1) responsibilities in establishing a fair valuation described above; 2) policies and procedures designed to provide reasonable assurance securities are valued properly; and 3) involvement of the Valuation Committee.

Cybersecurity. Increased reliance upon internet-based programs and applications to conduct transactions and store data creates growing security and operational risks. Targeted cyberattacks, as well as accidental events, can lead to a breach in computer and data systems security and subsequent unauthorized access to sensitive transactional or personal information. Data taken in breaches may be used by criminals in committing identity theft, obtaining loans or payments under false identities, and in other crimes that could affect the value of assets in which the Dorchester Funds invest. Cybersecurity breaches at the Firm, its vendors and service providers may also lead to theft, data corruption, or overall disruption in operational systems. These threats may also directly or indirectly affect the Dorchester Funds through cyber incidents with Underlying Managers, third party service providers or counterparties. Cybersecurity risks can disrupt the Firm's ability to engage in investment-related and transactional business, cause direct financial loss or reputational damage, or lead to violations of applicable laws, including those related to data and privacy protection. These risks also result in ongoing prevention and compliance costs.

Mortgage-Related Securities. Mortgage-related securities are collateralized by residential or commercial mortgages or pools of residential or commercial mortgages. Pools of mortgage loans

are assembled as securities for sale to investors by various governmental, government-related and private organizations. These securities may include complex instruments such as collateralized mortgage obligations, stripped mortgage-backed securities, mortgage pass-through securities, interests in real estate mortgage investment conduits, as well as other real estate-related securities. The mortgage-related securities in which the Investment Funds invest may include those with fixed, adjustable, floating or variable interest rates, those with interest rates that change based on multiples of changes in a specified index of interest rates and those with interest rates that change inversely to changes in interest rates, as well as those that do not bear interest. The mortgage-related securities in which the Investment Funds invest may also relate to balloon mortgages.

Mortgage-related securities are subject to credit risks associated with the performance of the underlying mortgages. In certain instances, the credit risk associated with mortgage-related securities can be reduced by third-party guarantees or other forms of credit support. Improved credit risk does not reduce prepayment risk, which is unrelated to the rating assigned to the mortgage-related security. Prepayment risk can lead to fluctuations in value of the mortgage-related security, which may be pronounced. If a mortgage-related security is purchased at a premium, all or part of the premium may be lost if there is a decline in the market value of the security, whether resulting from changes in interest rates or prepayments on the underlying mortgage collateral. Certain mortgage-related securities that may be purchased by the Investment Funds, such as inverse floating rate collateralized mortgage obligations, have coupons that move inversely to a multiple of a specific index, which may result in a form of leverage. As with other interest-bearing securities, the prices of certain mortgage-related securities are inversely affected by changes in interest rates. However, although the value of a mortgage-related security may decline when interest rates rise, the converse is not necessarily true, since in periods of declining interest rates the mortgages underlying the security are more likely to be prepaid. Due to declining interest rates and for other reasons, a mortgage-related security's stated maturity may be shortened by unscheduled prepayments on the underlying mortgages. Therefore, it is not possible to predict accurately the security's return to the Investment Funds. Moreover, with respect to certain stripped mortgage-backed securities, if the underlying mortgage securities experience greater than anticipated prepayments of principal, the Investment Funds may fail to fully recoup their initial investment even if the securities are rated in the highest rating category by a rating agency. During periods of rapidly rising interest rates, prepayments of mortgage-related securities may occur at slower than expected rates. Slower prepayments effectively may lengthen a mortgage-related security's expected maturity, which generally would cause the value of such security to fluctuate more widely in response to changes in interest rates.

Investments in subordinated mortgage-backed securities ("MBS") involve greater credit risk of default than the senior classes of the issue or series. Default risks may be further pronounced in the case of MBS secured by, or evidencing an interest in, a relatively small or less diverse pool of underlying loans.

Risks of Investing in Real Estate and Real Estate Securities. A Secondaries Fund and/or an Investment Fund may invest in real estate either directly through a subsidiary or special purpose entity or indirectly through real estate related securities. Such investments in a real estate asset will usually be made on a passive basis, giving a third-party operating partner and/or property manager a large degree of authority and responsibility for daily management of the assets. A Secondaries

Fund or an Investment Fund may also invest a portion of its assets in a concentrated portfolio of real estate securities. An Investment Fund may in large part be dependent on the ability of third parties to successfully operate the underlying real estate asset(s). If a Secondaries Fund or an Investment Fund invests in real estate with a joint venturer or partner, the Secondaries Fund or the Investment Fund may be unable to exercise sole decision-making authority (including determining when to liquidate such assets) and will be subject to the risk that a joint venturer or partner will act negligently or in a manner contrary to the Secondaries Fund's or the Investment Fund's best interest, as applicable. Movements in the overall real estate market due, for example, to changes in property values, cyclical changes in the economy, vacancies of rental properties, overbuilding, environmental liabilities, changes in local laws, changes in property taxes, changes in the Internal Revenue Code of 1986, as amended ("Code"), or changes in interest rates could adversely impact an Investment Fund. In addition, the real estate securities in which an Investment Fund may invest are potentially subject to the impact of leverage at both the property and entity levels. For example, real estate investment trusts ("REITs") generally invest in real estate operating properties that can be highly leveraged (through both on and off-balance sheet financing).

Risk Management Control Issues. Underlying Managers to the Investment Funds may use proprietary investment strategies that are not fully disclosed to Dorchester. These strategies may involve risks under certain market conditions that have not been anticipated by the Underlying Managers to the Investment Funds. Dorchester's inability to control the frequency, quantity or quality of information obtained from Investment Funds regarding their investment portfolios may make it difficult or impossible for Dorchester to implement its risk management strategies as intended. There can be no assurance or guarantee that a Secondaries Fund will be profitable even if Dorchester is able to implement its risk management strategies as intended.

All investing involves a risk of loss, including loss of principal invested. There are certain risks involved in the strategy pursued by the Advisors for the Dorchester Funds. Certain of these risks are described above. A potential investor in a Dorchester Fund, however, will be provided with offering documents that contain a more fulsome discussion of the risks involved in such an investment and the applicable Dorchester Fund's investment activities.

Item 9. - Disciplinary Information

Dorchester and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to an investor's evaluation of Dorchester or its personnel.

Item 10. - Other Financial Industry Activities and Affiliations

Certain purchases of Investment Fund interests or shares in secondary market transactions may be appropriate for one or more of the Dorchester Funds. Allocation procedures are described in Item 6.

DCA serves as general partner to several private investment funds and thus maintain nominal capital accounts with respect to such funds. In addition, certain members, officers or employees of Dorchester invest in such funds. These members, officers or employees may pay or make reduced or no fees or allocations in such funds, as applicable.

See Section 11 for further disclosure related to certain potential conflicts of interest.

Dorchester has implemented policies and procedures to address the selection and monitoring of vendors. Such policies and procedures focus on data security and cyber risks that may be present at the vendor level. A review of all vendors deemed to maintain significant personally identifiable information is conducted each year.

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

Dorchester has adopted a Code of Ethics that sets forth standards of conduct expected of advisory personnel and addresses potential conflicts that arise from personal trading by advisory personnel. Dorchester also has policies involving the safeguarding of proprietary and non-public information by Dorchester personnel along with restrictions on the use of insider information and the use of non-public information.

Under the Code of Ethics, employees are required to provide both initial and annual securities holdings reports, as well as periodic transactions reports.

In addition, Investment Persons (as defined below) are discouraged from investing in initial public offerings of securities and must obtain approval from the CCO prior to transacting in such offerings. Under the Code of Ethics, “Investment Person” means (i) any employee who is involved in making securities recommendations to an Advisor; (ii) any employee of Dorchester who, in connection with his or her regular functions or duties, makes or participates in making recommendations regarding the purchase or sale of securities by a Dorchester Fund; (iii) any natural person who controls an Advisor and who obtains information concerning recommendations made to a Dorchester Fund regarding the purchase or sale of securities by the Dorchester Fund; and (iv) any employee otherwise designated by the CCO in writing that such person is an Investment Person. The definition of Investment Person is applied so as to include, without limitation, all Dorchester employees that would be “access persons” under the Advisers Act and the rules thereunder.

Under the Code of Ethics, Dorchester’s employees and their family members are prohibited from purchasing interests in any Private Fund unless permission is received in advance from the CCO. Under the Code of Ethics, a “Private Fund” is defined to include any private investment fund, including a private investment fund that relies on the exclusion from the definition of “investment company” set forth in either Section 3(c)(1) or Section 3(c)(7) of the 1940 Act. Accordingly, employees and their family members may invest in a Dorchester Fund only with the prior written approval of the CCO. Employees and their family members are permitted to own interests in Private Funds if they owned such interests prior to the initial effective date of the Code of Ethics or prior

to becoming employees (or, in the case of family members, prior to the relevant access person becoming an access person). In such cases, Advisor employees and their family members must seek the prior written approval of Dorchester's CCO prior to redeeming or transferring such interests.

The CCO is required to report issues that arise under the Personal Trading Policy to Dorchester's CIO at least annually. Dorchester Fund investors and prospective investors can obtain a copy of the Code of Ethics by contacting Dorchester at (310) 402-5090.

As noted above, DCA serves as general partner to the Dorchester Funds and thus maintains nominal capital accounts with respect to such funds. Certain of these capital accounts represent only a nominal investment. In addition, certain members, officers or employees of Dorchester invest in the Dorchester Funds as well as Investment Funds in which a Dorchester Fund may invest. These members, officers or employees may pay reduced or no fees in the Dorchester Funds. As noted above, investments in "Private Funds," including the Dorchester Funds, by members, officers or employees of Dorchester requires pre-approval by the CCO. The CCO and/or his or her designee periodically reviews the trades of members, officers and employees listed on the quarterly transactions reports in order to monitor any conflicts of interest relating to such persons' investments.

Some Dorchester employees may have personal investments in the same Investment Funds managed by a Fund. Such a scenario could give rise to a conflict of interest. For example, the employee may be incentivized to direct one or more Investment Funds to invest or remain invested in a Fund in which he or she is personally invested to provide the Investment Fund with additional capital. In order to mitigate such a conflict of interest, employees must receive permission from the Chief Compliance Office, who will consult with members of the Research team, prior to buying or selling such investments. Further, Dorchester's decision to buy or sell in any Investment Fund requires a written trade rationale and follows the investment procedures developed to promote objectivity and minimize the likelihood that a conflict could impact the investment activities of the Fund.

Certain investors in the Dorchester Funds are also key personnel of the Underlying Managers for the Investment Funds. In some instances, certain of these Dorchester Fund investors also maintain side letter arrangements granting preferential terms, such as "most favored nation" status for their investment in the Dorchester Funds. These relationships and practices could present conflicts of interest in that Dorchester employees could be incentivized to direct the Funds or the Affiliated Funds to invest in or refrain from redeeming from products managed by the Underlying Managers with which such investors are affiliated, or provide such investors with preferential terms as a quid pro quo. However, these potential conflicts are minimized by the implementation of controls and practices described in Dorchester's written compliance policies and procedures. Additionally, Dorchester does not grant preferential redemption terms, and all side letters in place at this time that relate to such investors described above only provide fee breaks.

DCS III and DCS Offshore III (collectively, "Fund III"), Fund IV and Fund V may (i) co-invest with one or more Affiliated Funds in certain Investment Funds and/or Direct Investments or (ii) invest in funds offered by, or enter into other investment management arrangements with

Underlying Managers in which Affiliated Funds may or may not also invest or participate. In addition, Fund III, Fund IV and Fund V may invest in one or more follow-on investment opportunities that arise as a result of any existing interest held by an Affiliated Fund in an Investment Fund or a Direct Investment in the event such Affiliated Fund is unwilling or unable to make such investment. Conversely, an Affiliated Fund may invest in one or more follow-on investment opportunities that arise as a result of an existing interest held by Fund III, Fund IV or Fund V in an Investment Fund or a Direct Investment in the event the applicable Fund is unwilling or unable to make such investment. Subject to obtaining any required consent from an advisory committee (“Advisory Committee”), DCA may cause Fund III, Fund IV or Fund V to enter into cross-trades with one or more Affiliated Funds or enter into principal transactions. DCA will not receive any transaction-related compensation in connection with any such cross-trade.

DCA may, but will not be required to, form an Advisory Committee consisting of three or more representatives of the applicable Fund’s limited partners who are not affiliates of DCA. In addition to providing any advice requested by DCA in connection with any matter or transaction involving Fund III, Fund IV or Fund V, as applicable, the Advisory Committee is authorized to review and approve (i) cross-trade transactions involving the applicable Fund on the one hand and any other Affiliated Fund on the other hand where the fair market value of the assets being transferred in such transaction or series of related transactions exceeds one percent (1.0%) of aggregate capital commitments (it being understood that DCA may, without the approval of the Advisory Committee or any limited partner, effect a cross-trade if the fair market value of the assets being transferred in such transaction or series of related transactions is equal or less than one percent (1.0%) of aggregate capital commitments; provided that DCA will not be permitted to effect more than two (2) cross-trades during the term of the applicable Fund without Advisory Committee approval); and (ii) any other matter requiring consent under Section 206(3) of the Advisers Act including, but not limited to, principal transactions. Dorchester does not engage in principal transactions with the Dorchester Funds for its own account.

Item 12. - Brokerage Practices

Dorchester is responsible for implementing each Dorchester Fund’s investment objectives and strategies, as set forth in the applicable Dorchester Fund’s offering memorandum or limited partnership agreement.

Dorchester expects to achieve each Dorchester Fund’s investment objectives by investing in Investment Funds managed by Underlying Managers that employ a variety of investment strategies. While Dorchester makes decisions concerning the investment of assets in Investment Funds, each Underlying Manager arranges for the placement of buy and sell orders and the execution of portfolio transactions on behalf of the Investment Fund managed by that Underlying Manager. If a Dorchester Fund invests with an Underlying Manager through a separate account, Dorchester will seek to obtain a report from the Underlying Manager regarding the execution of trades made for the Dorchester Fund in that account.

If Dorchester were ever called upon to select a broker, it would do so in accordance with its duty to seek best execution for the Dorchester Funds. With respect to Direct Investments, Dorchester will seek to obtain best execution of trades on behalf of applicable Dorchester Funds by a selected broker-dealer. In seeking best execution, the determinative factor is not always the lowest possible per security price or commission but whether, in Dorchester's view, the transaction represents the best overall qualitative and quantitative execution for the relevant Dorchester Fund.

Dorchester may consider the full range of a broker-dealer's services in assessing best execution, including: (1) competitiveness of commission rates and spreads; (2) promptness of execution; (3) past history in executing orders; (4) clearance and settlement capabilities; (5) research capabilities and quality; (6) access to markets, investments (including access to new issues) and distribution network; (7) trade error rate and ability or willingness to correct errors; (8) anonymity/confidentiality; (9) market impact; (10) liquidity; (11) speed of execution; (12) expertise with complex transactions; (13) trading style and strategy; and (14) geographic location. Accordingly, although Dorchester will seek competitive commissions and spreads, it may not necessarily obtain the lowest possible rates for applicable transactions. The commissions, spreads, or other transaction or financial advisory fees charged by an executing broker-dealer may be higher or lower than those charged by other broker-dealers.

Dorchester does not direct brokerage in the case of investments made with an Underlying Manager through a separate account. No investor in a Dorchester Fund can direct Dorchester to select a broker for any purpose.

Dorchester has adopted procedures to address the allocation of investment opportunities between or among the Dorchester Funds. The procedures generally require the *pro rata* allocation of investment opportunities between or among the Dorchester Funds for which the investment opportunity would be appropriate. *See* Item 6, above. DCA has developed special allocation policies relating to the allocation of investment opportunities in secondary market purchases of Investment Fund and private equity fund interests or shares. *See* Item 6, above.

Dorchester has adopted policies to address any potential trade errors that may occur. All gains associated with trade errors are to remain in the relevant Dorchester Fund(s) for the clients' benefit. For losses that exceed the lesser of 1 basis point of the relevant Dorchester Fund's AUM or \$5,000, the Advisor will reimburse the Dorchester Fund for such error.

Item 13. - Review of Accounts

Each Dorchester Fund's portfolio is reviewed by the CIO on at least a quarterly basis. The review includes an analysis of the diversification of each Dorchester Fund's assets, including exposure to market and other risks, and a review of the performance of the various Investment Funds and Underlying Managers in which and with which that Dorchester Fund invests.

The Chief Financial Officer, the Director of Accounting and the Chief Operating Officer are responsible for monitoring accounting, administration and regulatory matters relating to the Dorchester Funds. In addition, certain Dorchester Funds have engaged an administrator and each

Dorchester Fund's auditor performs interim testing and annual reviews of the Dorchester Funds, including verification of each Dorchester Fund's cash flows, position valuations, and accounting.

Monthly performance estimates and capital account statements, written quarterly reports and annual audited reports are furnished to each investor in the Dorchester Funds.

Item 14. - Client Referrals and Other Compensation

DCA has entered into an agreement with a broker-dealer (a "Solicitor") for the purpose of introducing prospective investors in the Dorchester Funds to DCA. DCA pays fees to such Solicitors, which fees generally consist of a portion of the management fees and may include a portion of the performance fees earned by DCA from the investor introduced by the Solicitor.

Item 15. - Custody

As general partner or investment manager of the Dorchester Funds, Dorchester is deemed to have custody of the Dorchester Funds' assets. All non-Investment Fund securities of a Dorchester Fund are held in custody by unaffiliated broker-dealers or banks and many Investment Fund positions are also held in custody by unaffiliated broker-dealers or banks; however an Advisor may have access to Dorchester Fund accounts since it serves as the general partner or investment manager of the Dorchester Funds. Investors will not receive statements from the custodian. Instead, each Dorchester Fund is subject to an annual audit by independent public accountants and the audited financial statements are distributed to each investor. The audited financial statements of a Dorchester Fund will be prepared in accordance with U.S. generally accepted accounting principles and distributed to Dorchester Fund investors within 180 days of such Dorchester Fund's fiscal year end.

Item 16. - Investment Discretion

The Advisor is responsible for implementing each Dorchester Fund's investment objectives and strategies, as set forth in the applicable Dorchester Fund's offering memorandum or other offering documents. The Advisor has full discretionary authority over the investment activities of each relevant Dorchester Fund pursuant to its limited partnership agreement. Any limitations on the Advisor's discretionary authority with respect to a Dorchester Fund's investments are set forth in that limited partnership agreement and/or the Dorchester Fund's offering memorandum.

Item 17. – Voting Client Securities

Dorchester does not anticipate owning equity securities granting the Dorchester Funds the right to vote proxies other than interests in the Investment Funds and certain Direct Investments in which the Dorchester Funds invest. However, should the Dorchester Funds acquire the right to vote proxies, Dorchester will exercise such voting authority in accordance with the policies and procedures it has adopted governing such voting.

Dorchester generally will vote proxies so as to promote the long-term economic value of the underlying securities held by the Dorchester Funds. Each proxy proposal will be considered on its own merits, and an independent determination will be made whether to support or oppose management's position. Dorchester believes that the recommendation of management should be given substantial weight, but Dorchester will not support management proposals that it believes may be detrimental to the underlying value of the Dorchester Funds' positions.

Dorchester generally characterizes proxy voting issues into three Levels (I, II and III). Proxies are reviewed by the Designated Research Member (Level II & Level III issues must be handled by a Director or Portfolio Manager), depending on who is most familiar with the company or fund issuing the proxy. The Level of a proposal will determine the applicable Designated Research Member and the depth of research required by the Designated Research Member when deciding how to vote each proxy.

Dorchester will receive and forward each proxy statement to the appropriate Designated Research Member, who will examine the materials and then decide on how to vote based on the Level of the issue raised by the proxy. The Designated Research Member will communicate the decision to the CCO, who will then arrange for the votes to be entered. The CCO may employ a third-party or utilize specialized software to record and transmit proxy votes electronically. The communication between the Designated Research Member and the CCO will be kept in its original form for the period required by the Advisers Act and the rules thereunder. After votes are cast, the CCO will perform a review to ensure that all proxies received, and for which a voting obligation exists, have been voted.

The CCO is responsible for administering and overseeing the proxy voting process. An investor may obtain a copy of Dorchester's proxy voting policies as well as information about how Dorchester has voted proxies for the Dorchester Fund(s) in which that investor is a shareholder by calling (310) 402-5084.

Item 18. - Financial Information

Dorchester is not aware of any financial condition that is expected to affect its ability to manage the Dorchester Funds.