

# Cotton Creek Capital Management, LLC

## Part 2A of Form ADV

### Firm Brochure

2820 Ross Tower, 500 North Akard  
Dallas, TX 75201

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This brochure provides information about the qualifications and business practices of Cotton Creek Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at 817-348-2750. 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.

This brochure does not constitute an offer, solicitation or recommendation to sell or an offer to buy any securities, investment products or investment advisory services. Such an offer may only be made to eligible clients/investors by means of delivery of offering or account documents that contain a description of the material terms relating to such investment or services.

Additional information about Cotton Creek Capital Management, LLC is also available on the SEC’s website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2: Material Changes**

The date of the last annual updating amendment to this brochure was March 30, 2019. A summary of certain of the material changes made to this brochure since the date of the last annual updating amendment is set forth below:

- We updated our regulatory assets under management as of December 31, 2019. See Item 4, Advisory Business.
- We made various additions, updates and revisions to the risk factor disclosures set forth in Item 8. See Item 8, Methods of Analysis, Investment Strategies and Risk of Loss.

We encourage all recipients of this brochure to review this document in its entirety. In the future, this brochure will identify and discuss the material changes since the last annual update to make investors aware of certain information that has changed since the prior year's brochure and that may be important to them.

The information set forth in this brochure is qualified in its entirety by the applicable governing documents. In the event of a conflict between the information set forth in this brochure and the information in the applicable governing documents, the governing documents shall control.

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## **Item 4: Advisory Business**

Cotton Creek Capital Management, LLC, a Texas limited liability company (“CCCM” or the “Firm”), was founded in 2006. CCCM is ultimately owned by Smith A. Brownlie III and James E. Braden (the “Principals”) and certain of their family members through affiliated entities and trusts controlled by the Principals and such family members. The Principals and certain affiliates of the Firm also are limited partners in one or more of the CCC Funds, as defined below. The Firm is registered as an investment adviser with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”).

### **Types of Advisory Services**

CCCM currently serves as general partner of the following private pooled investment vehicles: Cotton Creek Capital Partners, Ltd., a Texas limited partnership (“CCCP”), Cotton Creek Marcellus Partners, Ltd., a Texas limited partnership (“CCMP”), Cotton Creek Marcellus Partners II, Ltd., a Texas limited partnership (“CCMP II”), and Cotton Creek Terrace SBS, Ltd., a Texas limited partnership (“CCTSBS”). CCCP, CCMP, CCMP II, CCTSBS and any other private investment vehicles established by the Firm in the future are collectively referred to as the “CCC Funds”.

CCCP was launched in June 2007 as a private equity fund and invests in a broad range of privately held operating companies, financial companies and service-oriented companies through acquisitions, build-ups, recapitalizations, restructures or significant minority stakes. CCMP and CCMP II are investment partnerships formed to invest in certain oil and natural gas related assets and properties located in the Marcellus Shale region of the Eastern United States. CCMP was launched in March 2009 and CCMP II was launched in May 2010. CCMP and CCMP II distributed their assets in-kind to investors. Such distributions were effective on or after March 25, 2019 for CCMP and on or after May 14, 2019 for CCMP II. CCTSBS was established to invest a significant portion of its capital in Series A Units of Terrace Energy, LLC (“Terrace Energy”). Terrace Energy, in turn, proposes to use a substantial portion of the proceeds raised in the offering of its Series A Units to acquire, explore, exploit and develop certain oil and natural gas assets. The rights and obligations of partners in each of the CCC Funds are more fully described in the offering and governing documents for each of the CCC Funds. The description of each of the CCC Funds above is qualified in its entirety by the more complete information set forth in the offering and governing documents for each CCC Fund. CCCM and/or affiliates thereof may form and/or provide advisory services to other pooled investment vehicles in the future.

### **Regulatory Assets Under Management**

As of December 31, 2019, the Firm had approximately \$31,612,521 in regulatory assets under management, all of which are managed on a discretionary basis.

## **Item 5: Fees and Compensation**

### **Fee Schedules**

Pursuant to the partnership agreement of CCCP, CCCP pays CCCM, quarterly in advance, an annual management fee of 2% of capital commitments during a commitment period of up to five (5) years (dropping to 1.5% of contributed capital thereafter), and allocates a carried interest to Cotton Creek SLP, L.P. (“CCSLP”), an affiliate of CCCM, of up to 20% on profits to investors after a return of capital and a preferred return of eight percent (8%), subject to certain claw backs and other adjustments. Management fees may be paid by calling capital from investors for such purpose or by reducing distributions that would otherwise be made to investors.

Pursuant to the partnership agreements of CCMP and CCMP II, each fund pays to CCCM a management fee, quarterly in advance, equal to one half of one percent (2% annually) of the aggregate cash contributions of the limited partners, and each fund allocates to an affiliate of the Firm, a performance allocation of up to 20% on profits after a return of capital to certain investors. Management fees are deducted directly from the capital account of each investor.

Pursuant to the partnership agreement of CCTSBS, CCTSBS pays to CCCM, quarterly in advance, an annual management fee equal to one-half of one percent (2% annually) of the aggregate capital commitment of each limited partner. After the commitment period, the management fee may be reduced in the discretion of CCCM. In addition, and subject to the terms and limitations set forth in the partnership agreement, CCTSBS allocates to Cotton Creek Terrace SLP, L.P. (“CCTSLP”), an affiliate of the Firm, a performance allocation of up to 20% on profits after a return of capital to certain investors, subject to a claw back and other adjustments. Management fees may be paid by calling capital from investors for such purpose or by reducing distributions that would otherwise be made to investors. The CCTSBS partnership agreement allows for receipt of certain shared management oversight fees from the CCTSBS portfolio company.

With respect to CCMP, CCMP II and CCTSBS, investors that are also partners (or affiliates thereof) in CCCP are not subject to any performance allocation.

With respect to the CCC Funds, fees generally are not negotiable. Nevertheless, the CCC Funds and the Firm have in the past entered into side letter agreements or other similar arrangements with certain investors that alter, change or modify certain terms of the partnership agreement(s) with respect to such investors (including a reduction or waiver of fees).

### **Other Fees and Expenses**

Subject to the terms and conditions set forth in the applicable governing documents, each CCC Fund generally is responsible and reimburses the applicable general partner, the Firm and their respective affiliates for all expenses (other than general partner expenses, such as costs and expenses of compensation of the general partner’s officers and employees and office rent) that are attributable to the activities of such CCC Fund, including, but not limited to: (i) expenses, costs and fees incurred in connection with the formation and organization of the CCC Fund, the general partner or any affiliated entities (subject to the cap set forth in the governing documents); (ii) management fees;

(iii) subject to certain limitations set forth in the governing documents, (A) all expenses incurred in connection with origination, evaluation, investigation, structuring, acquisition or disposition of any portfolio investments, including private placement fees, sales commissions, appraisals fees, taxes, brokerage fees, underwriting commissions and discounts, legal, accounting, investment banking, consulting, information services and professional fees; (B) expenses incurred in connection with the carrying or management of investments, including custodial, trustee, record keeping and other administration fees; (C) expenses incurred in connection with communications with investors; (D) attorneys' and accountants' fees and expenses; (E) taxes and other governmental charges levied against the CCC Fund; (F) insurance, regulatory or litigation expenses (and damages), including regulatory expenses of the CCC Fund's general partner and litigation expenses and damages of persons indemnified under governing documents; (G) expenses incurred in connection with the winding up or liquidation of the CCC Fund; (H) expenses relating to defaults by investors in the payment of capital contributions; (I) out-of-pocket expenses for transactions that are not consummated ("dead deal costs"); (J) expenses incurred in connection with any restructuring or amendments to the constituent documents of the CCC Fund, its general partner and related entities; (K) expenses incurred in connection with the formation of alternative investment entities to the extent permitted under the governing documents; and (L) expenses incurred in connection with distributions to the investors; (iv) expenses incurred by the CCC Fund in connection with the Compensation and Conflicts Committee meetings and all reasonable travel and other out of pocket expenses incurred by members of such committees in connection with the performance of their duties as members; (v) expenses incurred in connection with annual partners meetings or other meetings of the partners; (vi) all fees and expenses incurred in connection with the registration, qualification or exemption of the CCC Fund under any applicable federal, state, or local law and all other fees and expenses imposed by any governmental authority with respect to the CCC Fund's operations or assets; (vii) all fees and expenses relating to the preparation of the quarterly unaudited and annual audited financial statements of the CCC Fund, the local, state and federal income, franchise and other tax returns of the CCC Fund, other regulatory reports and filings of the CCC Fund, and all other documents, opinions, appraisals and reports required to be delivered to the partners pursuant to the provisions of the governing documents; (viii) all fees and expenses incurred in connection with any litigation, mediation, arbitration or other legal or tax proceeding involving the CCC Fund or any of its investments (including the cost of any investigation and preparation) and the amount of any judgment or settlement paid in connection therewith (subject to the limitations set forth in the governing documents); and (ix) all fees and expenses incurred in connection with the collection of amounts due to the CCC Fund. Expenses incurred and reimbursed by the CCC Funds in connection with the management and operation of investments may include, without limitation, travel costs and expenses (which may include first or business class commercial airfare or private or charter airfare) and meals and entertainment expenses.

In connection with the consideration by a CCC Fund of investment opportunities or the pursuit of portfolio investments, the Firm or its affiliates may receive termination fees and/or capital commitment fees from sponsors, investment candidates or affiliates thereof. The Firm or its affiliates may also receive merchant banking, investment banking, transaction, financial advisory, management, debt placement, director and/or other fees (excluding Operating Services Compensation, "Oversight Fees") from one or more portfolio companies or other persons for various services performed for such companies or persons. Notwithstanding the foregoing, all or a portion of any such termination fees, capital commitment fees or Oversight Fees received by, or

payable in respect of the services performed by, the Firm or its affiliates in connection with the investment activities of a CCC Fund, *less* all out-of-pocket expenses incurred by the Firm or an affiliate in performing the services that gave rise to the fees, generally offset and reduce the management fees payable by such fund (in accordance with and subject to the terms of the applicable partnership agreement).

Consistent with disclosures to the Conflicts and Compensation Committee of the applicable CCC Fund, the Firm has historically calculated an hourly fee for the time spent by the Principals on providing oversight and other services to CCC Fund portfolio companies and treated such amount as an out-of-pocket expense incurred by the Firm or an affiliate in performing the services that gave rise to Oversight Fees. In addition, the Firm has engaged and may in the future engage related parties as consultants to provide oversight and other services to the CCC Funds or to one or more portfolio companies. The amount of such consulting fees paid by the Firm are also deemed to constitute out-of-pocket expenses incurred in performing services that gave rise to Oversight Fees. Historically, the amount of such fees and other out-of-pocket expenses has exceeded the total amount of Oversight Fees received. As a result, management fees have not been offset or reduced by the amount of any Oversight Fees received in the past.

In addition to the foregoing, the Firm or any of its respective affiliates, officers or employees may receive compensation and perquisites from one or more portfolio companies for full- or part-time management services performed for such portfolio companies (“Operating Services Compensation”); *provided, however*, the aggregate amount of such compensation paid by a portfolio company for such services does not exceed arm’s length, market compensation for such services, (ii) the aggregate amount of such compensation received by the Firm or any of its affiliates or employees from all portfolio companies for services does not exceed the arm’s-length market value for such aggregate services, and (iii) the compensation and perquisites to be paid to the Firm or any of its affiliates, officers, or employees must be approved in advance by the Compensation and Conflicts Committee of the applicable CCC Fund (subject to the terms set forth in the applicable partnership agreement).

Notwithstanding the foregoing, the general partner of a CCC Fund generally may not permit the CCC Fund, any portfolio company, or any entity related to the acquisition of a portfolio company to pay capital commitment fees, shared Oversight Fees, Operating Services Compensation or other fees in connection with the investment activities of such CCC Fund, to the general partner or any of its affiliates or employees, unless such fees and compensation are expressly approved in advance by the Compensation and Conflicts Committee of the applicable CCC Fund.

Due diligence and other expenses incurred in connection with evaluating a potential portfolio company may be paid or reimbursed as part of the closing costs when the portfolio company transaction is completed. Portfolio companies may reimburse the Firm and/or related parties who provide consulting services related to such prospective portfolio company acquisitions during the due diligence process, including travel costs and expenses (which may include first or business class commercial airfare or private or charter airfare), meals and entertainment expenses. Portfolio companies pay or may pay salaries or other compensation of CCCM-related persons who are serving as an officer or employee of the portfolio company.

The Firm discloses certain information about the amount and nature of partnership expenses in capital call notices and fund financial statements. However, fund investors generally do not receive detailed information regarding specific partnership expenses paid or portfolio company expense reimbursements.

### **Withdrawals**

No partner generally is permitted to withdraw from any CCC Fund without the prior written consent of the Firm, which may be withheld in its sole discretion.



## **Item 6: Performance Based Fees and Side-by-Side Management**

As noted above, the Firm is entitled to receive performance-based allocations and/or carried interest distributions with respect to the CCC Funds. Pursuant to the partnership agreements of CCCP, an affiliate the Firm is entitled to receive carried interest distributions of up to 20% on profits to investors after a return of capital and a preferred return of eight percent (8%), subject to certain claw backs and other adjustments. Pursuant to the applicable partnership agreements, CCMP allocates to an affiliate of the Firm a performance allocation of up to 20% on profits after a return of capital to certain investors. Pursuant to the partnership agreement of CCTSBS, an affiliate of the Firm, generally is entitled to receive a performance allocation (after a return of capital to applicable investors) equal to 20% of the net proceeds attributable to the disposition of Series A Units (or other income received with respect to Terrace Energy). Performance-based fees and allocations could motivate the Firm or its affiliates to make investment decisions that are riskier or more speculative than would be the case if these arrangements were not in effect. The method of calculating carried interest distributions may result in conflicts of interest with respect to the management and disposition of investments, including the sequence of dispositions. The Firm addresses this conflict through full and fair disclosure in the applicable offering documents and/or this brochure.

## **Item 7: Types of Clients**

The Firm provides investment advice to the CCC Funds. The minimum subscription amount for an investor in each of the CCC Funds is set forth in the applicable offering documents. In general, each prospective investor in the CCC Funds is required to represent that it is, among other things, an “accredited investor,” as such term is defined in Rule 501(a) of Regulation D under the Securities Act of 1933, as amended, and a “qualified client,” as such term is defined in Rule 205-3 under the Advisers Act.

## **Item 8: Methods of Analysis, Investment Strategies and Risk of Loss**

The Firm and its affiliates employ a rigorous due diligence process in connection with each prospective investment for CCCP. The due diligence and decision-making processes focus on an assessment of the potential investment, its management and its associated industry. Potential investments may also from time to time be submitted to the advisory board for review. The advisory board consists of a group of individuals designated by the Firm a majority of whom will be representatives of independent limited partners. The Firm's review of each investment generally includes an assessment of whether the potential investment is consistent with the investment philosophy of CCCP. Further, the Firm and its affiliates assess whether the projected financial returns of a proposed investment are acceptable given the attendant degree of risk, and whether exit alternatives have been considered.

While entrusting the day-to-day operations of each portfolio company to its management team, the Firm and its affiliates have significant input in creating financial and operational plans and monitor performance through periodic reviews. Structured corporate governance and representation on the board of each portfolio company often is assigned to one or more managers who have extensive senior management experience as chief executive officer, chief operating officer and chief financial officer. This experience, coupled with a keen understanding of management dynamics, provides the Firm and its affiliates with the ability to assist portfolio companies in the successful formation, development and execution of ongoing operational improvements. The managers also plan to assist portfolio companies in preparing the necessary tools for ongoing operation performance measurements and review as well as to assist in preparing and reviewing materials required for raising further debt or equity capital, if required.

The Firm and its affiliates have existing professional relationships with third party resources that may be deployed to assist a portfolio company with specific issues including specialized legal, operational, risk management, accounting or environmental matters. These professional relationships include, but are not limited to, interim and turnaround management resources and management affiliate relationships.

The investment strategy of CCCP generally focuses on investments in those companies in which the Firm and its affiliates can apply their extensive operational, financial and executive management experience. The Firm and its affiliates target proprietary deal flow but also consider and invest in opportunities from other sources. The Firm and its affiliates, with extensive experience in the Texas and Southwest business environment, have confidence in their ability to source investments from the middle market in this region on an opportunistic basis through their contacts and relationships, and through the Firm's and its affiliates' advisory client base.

Investments by CCCP generally are not highly advertised, marketed or competitively bid. In many cases, the sellers and the Firm and/or its affiliates, as applicable, may have a prior business relationship and sellers may retain an economic interest in the investment.

The Firm and its affiliates believe that the middle market generally is underserved by the private equity industry. The Firm and its affiliates define their niche in the middle market as companies with revenues between \$10 million and \$200 million, and enterprise values less than \$75 million.

Most of the private equity activity tends to be focused on either startup ventures or large companies requiring investments from larger funds. As a result, the Firm and its affiliates believe that this segment of the middle market offers investment opportunities at more attractive entry values.

The strategy of CCCP is to be the lead investor in a diversified portfolio of quality investments. In general, CCCP invests approximately \$5 million to \$20 million in each portfolio company, though smaller investments may be made for strategic purposes. The intent is to identify private companies with growth potential that through improved management, process enhancements and financial structuring, become strategic acquisition opportunities for industry companies or private equity funds. The expectation is that portfolio companies generally will be exited through private transactions.

The Firm and its affiliates possess specific management skill sets, including executive and operational management, sales management, financial management and controls, acquisitions and divestures, and structuring and planning for organic growth. These talents are applied to the issues that may be faced by a portfolio company as it plans for growth, financing, process improvements, business planning and corporate governance. Members of the Firm and its affiliates who possess the specific skills required in a given situation are available to assist a portfolio company, thereby leveraging company management. As a result of years of experience, the Firm and its affiliates have developed relationships with private equity investors, investment banks, commercial banks, senior debt lenders and subordinated debt lenders to support both equity and debt financing for portfolio investments, thereby facilitating sources of capital required to grow both internally or through external transactions.

#### *CCMP and CCMP II*

Each of CCMP and CCMP II was established by CCCM to acquire undivided percentage interests in net mineral acres located primarily in the Marcellus Shale in the Appalachian Basin of the Eastern United States. Since a majority of the mineral interests are under lease to various experienced operators, the investment strategy and objective of CCMP is to achieve substantial operating income through the receipt of royalty payments and other consideration from the operators. CCCM may also sell all or a portion of the mineral interests if it believes that such a sale presents an opportunity for profit or is otherwise attractive. CCCM does not intend to develop or manage the mineral interests itself.

#### *CCTSBS*

CCTSBS was established by the Firm to invest a significant portion of its capital in Series A Units of Terrace Energy. Terrace Energy, in turn, utilized a substantial portion of the proceeds raised in the offering of its Series A Units to acquire, explore, exploit and develop certain oil and natural gas assets. The Firm expects to sell or otherwise dispose of the Series A Units through one or more secondary market transactions. If Terrace Energy engages in a public offering of its securities, The Firm may elect to exercise certain demand and piggy-back rights with respect to the Series A Units owned by CCTSBS.

## **Certain Risk Factors**

An investment in the CCC Funds involves a high degree of risk and is suitable only for investors of substantial means. There are risks and conflicts of interest that must always be considered when contemplating investments in privately offered investments such as the CCC Funds. Set forth below is a short summary of certain of the material risks that may be associated with an investment in the CCC Funds. The following summary is qualified in its entirety by reference to the applicable offering documents.

### ***General Private Equity Investment Risks***

***Financial and Business Risk of Portfolio Companies.*** Investments in portfolio companies made by the CCC Funds involve a significant degree of financial and/or business risk. The CCC Funds may invest in companies that are believed to be operating below their potential. These companies face unique risks not associated with larger, more established companies. Portfolio companies may be highly leveraged and therefore may be more sensitive to adverse business or financial developments or economic factors. The profitability and survival of portfolio companies may depend on their ability to access enough sources of debt at attractive rates, which may or may not be available at any particular time. Portfolio companies also may face intense competition, changing business or economic conditions or other developments that may adversely impact their performance. Business risks may be more significant in lower middle-market companies or those embarking on a build-up or operating turnaround strategy. Some portfolio companies may operate at a loss or have significant variations in operating results, may be engaged in a rapidly changing business or business environment with products subject to a substantial risk of obsolescence, may require substantial additional capital to support their operations, finance expansion or maintain their competitive position, may be in an early stage of development or may otherwise have a weak financial position. If for any of these or other reasons a portfolio company is unable to generate cash flow to meet its operating expenses and working capital requirements, make principal or interest payments on its indebtedness, or make other required payments on its commitments, the portfolio company's business, financial condition and prospects could be materially adversely affected and the value of the related investment could be significantly reduced or even eliminated.

***Reliance on Management of Portfolio Companies.*** Although the Firm will monitor the performance of portfolio companies and generally expect to be actively involved in the management thereof, they nevertheless rely substantially upon the management teams of such portfolio companies to operate such companies on a day-to-day basis. Consequently, the value of the CCC Funds' portfolio investments will be affected significantly by the efforts and decisions of operating management teams. Because of their size and historical needs, many lower middle-market companies must rely heavily on the services of a limited number of key individuals, the loss of any one of whom could significantly adversely affect future performance. However, lower middle-market companies may not always be led by incumbent management teams/founders who possess a broad range of experience or professional managerial skills. Further, key executives/founders may be approaching the ends of their active business careers, requiring (upon retirement) the planned transition to professional management or a next generation of senior managers. In situations where incumbent managers or founders are supplemented with or replaced by professional management

teams, operating cultures or key relationships with customers, suppliers, personnel or others might be adversely affected.

***No Assurance of Profit or Distributions.*** The marketability and value of each CCC Fund's investments will generally depend upon factors beyond the control of the CCC Fund and the Firm. There can be no assurance that investments will be profitable or realized or that any distributions will be made to limited partners with respect thereto. Distributions will ultimately depend upon the success of the investments made by the CCC Fund. Distributions also will be subject to the terms and provisions of the partnership agreement, including, without limitation, the establishment of reserves to pay CCC Fund expenses and other liabilities of the CCC Fund. The expenses of the CCC Fund or any portfolio company may exceed its income, and limited partners could lose the entire amount of their invested capital.

***Identification of Investment Opportunities.*** The success of each of the CCC Funds will depend primarily upon the identification and availability of suitable investment opportunities. The business of identifying and structuring private equity investments is highly competitive and involves a high degree of uncertainty and risk. The availability of investment opportunities will be subject to market conditions and certain other factors that will be outside the control of the Firm. Limited partners may never be fully invested if CCCM does not identify enough sufficiently attractive investments. There can be no assurance that CCCM will be able to identify sufficient attractive investment opportunities to meet the CCC Fund's investment objectives or that investors will be able to participate in any such investment opportunities. Subject to the availability of attractive investment opportunities and financing, the CCC Funds will attempt to make portfolio investments. However, even if no portfolio investments are acquired, the CCC Fund will still have obligations for certain expenses, including management fees, audits, tax returns, annual meetings and other operating items, and investors will be required to contribute capital to pay for such expenses.

***Illiquidity of Investments in Portfolio Companies.*** Investments in portfolio companies typically will be illiquid and will not provide current income. Investments are expected to be restricted, at any given time, as to their transferability under U.S. securities laws. Further, in some cases the CCC Fund may be prohibited by contract from selling investments for a period of time or otherwise be restricted from disposing of such investments. In some cases, a substantial length of time may be required in order to liquidate an investment. Consequently, there is a significant risk that the CCC Fund will be unable to sell or otherwise dispose of investments at attractive prices or will otherwise be unable to complete any exit strategy with respect to investments. These risks can be further exacerbated by changes in the financial condition or business prospects of a portfolio company, changes in national or international economic or market conditions and changes in laws, regulations, fiscal policies or political conditions of the United States and other jurisdictions in which the portfolio companies are located or in which they may conduct their respective businesses. If the CCC Fund is unable to sell or otherwise dispose of an investment by the end of the CCC Fund's term, investors may receive an in-kind distribution of their respective *pro rata* share of that investment, which may be illiquid.

***Long-Term Nature of Investments in Portfolio Companies.*** Investments are not expected to be liquidated or realized for a significant period of time after such investment is initially made. Factors such as overall economic and market conditions, the performance of the applicable

company, the competitive environment and the availability of potential acquirers may shorten or lengthen the CCC Fund's holding period with respect to an investment. Accordingly, it is not likely that any significant return from the disposition of an investment will occur for a number of years after such investment is made.

***Equity Investments.*** Certain of the CCC Funds invest in equity or equity-related investments (including investments in publicly traded companies) which, by their nature, involve business, financial, market and/or legal risks. Holders of equity or equity-related investments generally own a residual interest in the applicable issuer and are junior to any obligations owed to the senior or subordinated creditors of such issuer.

***Portfolio Concentration.*** The CCC Fund's portfolio may be comprised of a small number of investments, and, therefore, the aggregate return of the CCC Fund may be affected by the performance of a single portfolio investment. Furthermore, to the extent that the capital raised is less than the targeted amount, the CCC Fund may invest in fewer portfolio companies and thus be less diversified. While this portfolio concentration may enhance total returns to limited partners, if any large position has a material loss, then returns to investors may be lower than if the CCC Fund had invested in a more diversified portfolio.

***Distressed Investments.*** Certain of the CCC Funds may make investments in restructurings involving companies that are experiencing or are expected to experience financial difficulties or in non-performing or other troubled assets which involve a high degree of risk. These financial difficulties may never be overcome and may cause the company to become subject to bankruptcy proceedings. Investments in companies operating in distressed or workout modes or under Chapter 11 of the U.S. Bankruptcy Code are, in certain circumstances, subject to additional potential liabilities, which may exceed the value of the original investment.

### ***General Energy Related Risks***

***Fluctuation of Oil and Natural Gas Prices.*** The success of CCMP, CCMP II and CCTSBS will be highly dependent upon the prices realized from the sale, exploration, development and optimization of oil and/or natural gas and a material decrease in such prices could have a material adverse effect on such funds. Oil and natural gas prices can fluctuate widely on a month-to-month basis in response to a variety of factors that are beyond the control of the CCC Funds or the Firm. Factors that contribute to price fluctuation include, without limitation: political conditions in major oil and natural gas producing regions; worldwide economic conditions; weather conditions; the supply and price of domestic and foreign natural gas or oil; the level of consumer demand; the price and availability of alternative fuels; the proximity to, and capacity of, transportation facilities; the effect of worldwide energy conservation measures; technological advances affecting energy consumption; and the nature and extent of governmental regulation and taxation. Oil and natural gas prices have fluctuated greatly from time to time over the past several years and should be expected to remain volatile in the future. There can be no assurance that the price of oil and natural gas will increase in the future.

***Operating Risks.*** Even if oil and natural gas is found in what is believed to be commercial quantities, reservoir risks, which may be heightened in new discoveries, may lead to increased costs

and decreased production, which, in turn, will lead to decreased cash flow to CCMP, CCMP II and/or CCTSBS. These risks include the inability to sustain deliverability at commercially productive levels as a result of decreased reservoir pressures, large amounts of water, or other factors that might be encountered. As a result of these types of risks, most lenders will not lend funds secured by reserves from newly discovered reservoirs, which could have a negative impact on CCMP, CCMP II and/or CCTSBS and/or any operators developing oil and natural gas related assets. Operational risks include hazards such as fires, explosions, craterings, blowouts, uncontrollable flows of oil, natural gas or well fluids, pollution, releases of toxic gas and encountering formations with abnormal pressures. Weather related risks include earthquakes, hurricanes and other adverse weather and environmental conditions.

***Risks Associated with Exploratory Drilling.*** Certain of the CCC Funds and/or any operators developing the assets owned by such fund may engage in a substantial amount of exploratory drilling. The risks inherent in exploratory drilling are substantially greater than the risks inherent in acquiring producing properties or in developmental drilling of producing fields. There can be no assurance that the CCC Funds and/or any operators will locate oil and natural gas on the assets owned thereby or that such oil and natural gas, if located, can be produced at an acceptable cost or in marketable quantities.

***Regulatory and Environmental Risks.*** Oil and natural gas operations are subject to various federal, state and local governmental laws and regulations, which may be changed from time to time in response to economic or political conditions. From time to time, regulatory agencies have imposed price controls and limitations on production in order to conserve supplies of oil and natural gas. In addition, the production, handling, storage, transportation and disposal of oil and natural gas, byproducts thereof and other substances and materials produced or used in connection with oil and natural gas operations are subject to regulation under federal, state and local laws and regulations.

### ***Additional Risks***

***Leverage.*** Subject to the terms and conditions set forth in the applicable governing documents, the CCC Funds may be permitted to borrow funds and employ leverage. The use of borrowing and leverage involves a high degree of risk. Because the use of leverage and borrowing allows a CCC Fund to control assets worth more than its investment in such assets, the amount that the CCC Fund may lose in the event of adverse valuation changes will be high in relation to the amount invested in such assets, which will negatively impact the performance of the CCC Fund.

***Limited Liquidity.*** Limited partners generally are not permitted to voluntarily withdraw from the CCC Funds. In addition, limited partners generally may not transfer their limited partner interests, in whole or in part, without, among other things, the prior written consent of CCCM which may be granted or withheld in its discretion. There currently exists no public market for limited partner interests, and none is expected to develop. Accordingly, limited partners should not expect that they will be able to transfer, sell or otherwise dispose of all or any portion of their limited partner interests during the term of the CCC Fund, nor can they be certain that they will be able to transfer, sell or otherwise dispose of all or any portion of their limited partner interests on a basis which reflects the value of the investments.



***Conflicts of Interest.*** Various actual and potential conflicts of interest exist among the CCC Funds, the Firm and their respective affiliates, the Principals and affiliates' clients, including actual and potential conflicts of interest related to fees, portfolio composition and valuation, expense allocation, selection of counterparties, treatment of other limited partners, limitation of liability, indemnification, allocation of opportunities and transactions and outside business activities. During the CCC Funds' terms, many different types of conflicts of interest may arise and this brochure does not purport to identify or predict all such conflicts. Limited partners ultimately will be heavily dependent upon the good faith of the Firm and each of its respective affiliates.

***Cybersecurity Risks.*** The Firm, the CCC Funds and their respective affiliates and service providers depend on information technology systems and, notwithstanding the diligence that the Firm or its affiliates may perform on its or the CCC Funds' service providers, it may not be in a position to verify the risks or reliability of such information technology systems. The Firm, the CCC Funds and their respective affiliates and service providers are subject to risks associated with a breach in cybersecurity. "Cybersecurity" is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from both intentional cyber-attacks and hacking by other computer users as well as unintentional damage or interruption that, in either case, can result in damage and disruption to hardware and software systems, loss or corruption of data, and/or misappropriation of confidential information. The Firm, its affiliates and their information and technology systems are vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although the Firm has implemented various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, the Firm or an affiliate may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the Firm's, a CCC Fund's or any of their respective affiliates' operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm the Firm's or its affiliates' reputation, subject any such entity and their respective affiliates to legal claims and otherwise affect its business and financial performance. Such damage or interruptions to information technology systems may cause losses to the CCC Funds or individual investors by interfering with the operations of the Firm and its affiliates (or their service providers). The CCC Funds may also incur substantial costs as the result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, adverse investor reaction, the dissemination of confidential and proprietary information and reputational damage. Any such breach could expose one or more of the CCC Funds, the Firm and their respective affiliates to civil, legal or regulatory liability as well as regulatory inquiry and/or action, and the CCC Funds may be required to indemnify the Firm and its affiliates against any losses incurred in connection therewith. Cybersecurity issues and risks are currently a major focus area of the SEC and other regulatory authorities.

***Potential for Fraud.*** In spite of the Firm's desire to advise that the CCC Funds invest their assets in reputable and trustworthy companies, there is a risk that the CCC Funds may invest their

assets in issuers that engage in fraud. To the extent that a CCC Fund makes an investment in a company that engages in fraud, such CCC Fund could lose all or a substantial portion of its investment in such company and it could have a material adverse effect on the CCC Fund's financial condition and results of operations.

***Terrorist Attacks, War, Natural Disasters and Outbreaks of Disease.*** Terrorist activities, anti-terrorist efforts, armed conflicts involving the United States or its interests abroad, natural disasters and outbreaks of disease or global pandemics or epidemics may adversely affect the United States, its financial markets and global economies and markets and could prevent the Firm or the CCC Funds from meeting their respective investment objectives and other obligations. The potential for future terrorist attacks, the national and international response to terrorist attacks, acts of war or hostility, natural disasters and outbreaks of disease (such as COVID-19) have created many economic, market, regulatory, legal, economic, political and other uncertainties, which may adversely affect the United States and world financial markets and our clients for the short or long-term in ways that cannot presently be predicted.

***Geopolitical Risks.*** An unstable geopolitical climate and continued threats of terrorism could have a material effect on general economic conditions, market conditions and market liquidity. The continued threat of terrorism and the impact of military or other action have led to and will likely lead to increased volatility in prices for oil and gasoline and could affect certain investments financial results. Further, the United States government has issued public warnings indicating that energy assets might be specific targets of terrorist organizations. As a result of such a terrorist attack or of terrorist activities in general, such investments may not be able to obtain insurance coverage and other endorsements at commercially reasonable prices or at all. Additionally, a serious pandemic or a natural disaster could severely disrupt the global, national and/or regional economies. A resulting negative impact on economic fundamentals and consumer confidence may increase the risk of default with respect to particular investments of the CCC Funds, negatively impact market value, increase market volatility and cause credit spreads to widen and reduce liquidity, all of which could have an adverse effect on the CCC Funds' returns and ability to make new investments. No assurance can be given as to the effect of these events on the value of or markets for investments.

***Governmental Intervention.*** In 2008, the global financial markets underwent disruptions that led to certain governmental intervention. The coronavirus (COVID-19) pandemic of 2020 has also led and is likely to continue to lead to substantial governmental intervention (both in the United States and abroad). Such intervention, in certain cases, was or is being implemented on an "emergency" basis, suddenly and substantially eliminating market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions. In addition, these interventions were or are typically unclear in scope and application, resulting in confusion and uncertainty which in itself can be materially detrimental to the efficient functioning of the markets as well as previously successful investment strategies. If governmental intervention programs are unwound, there could likewise be uncertainty and adverse effects on the markets. In the case of any future market disruptions, it is impossible to predict what interim or permanent governmental restrictions (or easing of restrictions) may be imposed on the markets or the effect of such restrictions on the Firm's or any CCC Fund's investment strategies.

***Epidemics, Pandemics, and Public Health Issues.*** The Firm's business activities as well as the activities and investments of the CCC Funds could be adversely affected by the outbreaks of epidemics in Asia, Europe, North America, the Middle East and/or globally, such as COVID-19 (and other novel coronaviruses), Ebola, H1N1 flu, H7N9 flu, H5N1 flu, Severe Acute Respiratory Syndrome, or SARS, or SARS, or other epidemics, pandemics, outbreaks of disease or public health issues. In particular, coronavirus, or COVID-19, has spread and is currently spreading rapidly around the world since its initial emergence in December 2019 and has negatively affected (and may continue to negative affect or materially impact) the global economy, global equity markets and supply chains (including as a result of quarantines and other government-directed or mandated measures or actions to stop the spread of outbreaks). Although the long-term effects or impacts of coronavirus, or COVID-19 (and the actions and measures taken by governments around the world to halt the spread of such virus), cannot be predicted, previous occurrences of other epidemics, pandemics and outbreaks of disease, such as H5N1, H1N1 and the Spanish flu, had material adverse effects on the economies, equity markets and operations of those countries and jurisdictions in which they were most prevalent. A recurrence of an outbreak of any kind of epidemic, communicable disease, virus or major public health issue could cause a slowdown in the levels of economic activity generally (or push the world or local economies into recession), which would be reasonably likely to adversely affect the business, financial condition and operations of the Firm and the CCC Funds. Should these or other major public health issues, including pandemics, arise or spread farther (or continue to worsen), the Firm or the CCC Funds could be adversely affected by more stringent travel restrictions (such as mandatory quarantines and social distancing), additional limitations on the Firm's or the CCC Funds' operations and business activities and governmental actions limiting the movement of people and goods between regions and other activities or operations.

**THE FOREGOING RISKS DO NOT PURPORT TO BE A COMPLETE DESCRIPTION OF ALL OF THE RISKS ASSOCIATED WITH THE FIRM'S INVESTMENT ADVISORY SERVICES. PROSPECTIVE CLIENTS AND INVESTORS SHOULD READ THIS BROCHURE AND/OR THE APPLICABLE OFFERING MATERIALS IN THEIR ENTIRETY BEFORE MAKING ANY INVESTMENT DECISIONS.**

## **Item 9: Disciplinary Information**

Not applicable.

## **Item 10: Other Financial Industry Activities and Affiliations**

The Firm is under common control with RAZ Property Investments GP, LLC, Cotton Creek Investments, LLC, LLC, Ivanhoe Management Company, LLC, and Glenwick Management Company, LLC (each, an “Affiliated GP”), each of which is an investment adviser to and/or a sponsor, general partner or managing member of certain pooled investment vehicles through which the Principals, their affiliates and one or more third parties make and/or have made private equity, real estate and other private investments (the “Affiliated Partnerships”). Each Affiliated GP is exempt from registration as an investment adviser with the SEC and applicable state regulatory authorities. The Affiliated Partnerships include Cotton Creek Investment Co., Ltd., RAZ Property Investments, Ltd., and BKB Capital, Ltd. and may in the future include additional entities.

The Principals are executive officers of, and the Firm is under common control with, Brownlie & Braden Advisors, LLC (“BBA”), an SEC-registered investment adviser and wholly-owned subsidiary of Focus Operating, LLC, which in turn is a wholly-owned subsidiary of Focus Financial Partners, LLC (“Focus LLC”). Focus Financial Partners Inc. (“Focus Inc.”) is the sole managing member of Focus LLC and is a public company traded on the NASDAQ Global Select Market. Activities on behalf of BBA and its clients take up a significant portion of the Principals’ business time and raise various other actual and potential conflicts of interest. The Firm has entered into an Administrative Services Agreement with BBA, pursuant to which the Firm will pay to BBA most of the management fees and any other revenues it receives from or with respect to the CCC Funds in exchange for various non-advisory administrative, back-office, investor communications, consultation and various other operational and support services provided by BBA to the Firm.

The Principals serve and may in the future serve as consultants or advisors, or provide other services with respect to, certain portfolio companies owned by clients of CCC Advisors, LLC (“CCCA”), an investment adviser that provides investment advisory, management and other services to private equity funds and co-investment vehicles. The Principals (and certain of their respective affiliates or family partnerships) are also (i) limited partners in one or more of the pooled investment vehicles managed by CCCA or its affiliates and (ii) entitled to share in certain of the fees and/or carried interest distributions payable or distributable with respect to various pooled investment vehicles managed by CCCA. The Firm does not control CCCA and CCCA is not controlled by or under common control with the Firm.

The Principals and/or affiliates of the Firm serve as directors, officers or committee members of certain portfolio companies owned by the CCC Funds and other pooled investment vehicles and, in that capacity, may receive compensation from such companies and generally are required to make decisions that consider the best interests of such portfolio companies. Such persons could face actual and potential conflicts of interest between discharging their duties as directors, officers or committee members, as the case may be, of such companies and acting in the best interest of the applicable CCC Funds. Moreover, certain of the Principals and/or affiliates of the Firm also may serve as directors of public companies, and their activities on behalf of those other companies may present actual and/or potential conflicts of interest (including conflicting fiduciary duties). Affiliates of the Firm in their capacities as directors, officers or committee members may receive compensation, and this compensation may not be shared with the CCC Funds.

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

### **Code of Ethics and Personal Trading**

Subject to the terms of its Code of Ethics, the Firm, its affiliates, the Principals and employees generally are permitted to trade for their own accounts, and from time to time may buy or sell securities that the Firm trades or recommends for its clients. To avoid any potential conflicts of interest resulting from the personal trading of the Principals and employees of the Firm, and to avoid the misuse of material non-public information, the Firm has adopted a written Code of Ethics designed to address and avoid material conflicts of interest, as required under Rule 204A-1 of the Advisers Act.

The Firm's Code of Ethics requires, among other things, that the Principals and access persons of the Firm:

- Act with integrity, competence, diligence, respect and in an ethical manner with the public, clients, prospective clients, employers, employees, colleagues in the investment profession, and other participants in the global capital markets;
- Place the integrity of the investment profession, the interests of clients, and the interests of the Firm above one's own personal interests;
- Adhere to the fundamental standard that he or she should not take inappropriate advantage of his or her position;
- Avoid and/or disclose any actual or potential conflict of interest;
- Conduct all personal securities transactions in a manner consistent with the policy;
- Use reasonable care and exercise independent professional judgment when conducting investment analyses, making investment recommendations, taking investment actions, and engaging in other professional activities;
- Practice and encourage others to practice in a professional and ethical manner that will reflect credit on the employee and the profession;
- Promote the integrity of, and uphold the rules governing, capital markets;
- Maintain and improve his or her professional competence and strive to maintain and improve the competence of other investment professionals; and
- Comply with applicable provisions of the federal securities laws.

The Firm's Code of Ethics generally requires the Principals and employees of the Firm to: (1) review the Firm's "Restricted List" of companies or issuers prior to engaging in personal securities trading activity; (2) pre-clear certain personal securities transactions; (3) report personal securities transactions on at least a quarterly basis; and (4) provide the Firm with a detailed summary of personal securities holdings (both initially upon commencement of employment and annually thereafter), in each case subject to the terms of the Code of Ethics.

A copy of the Firm's Code of Ethics will be provided to any investor upon request.

### **Allocation of Investment Opportunities**

None of the CCC Funds currently are making new investments and, as a result, no investment opportunities are currently expected to be allocated or made available to the CCC Funds.

### **Transactions Involving Conflicts of Interest**

In the event the Firm enters into principal transactions, other transactions or arrangements with clients or portfolio companies that may be viewed as matters involving actual or potential conflicts of interest, the Firm will take such steps as it deems necessary and/or appropriate under the circumstances to ensure that the terms of the transactions are fair and reasonable. The Firm generally will endeavor to affect these transactions in accordance with its fiduciary requirements and applicable law (which may include disclosure and consent). Except as otherwise set forth in the applicable governing documents of a CCC Fund, the general partner of such CCC Fund generally will seek the consent and approval of the Compensation and Conflicts Committee of such CCC Fund with respect to material conflicts of interest or potential material conflicts of interest (including principal transactions).

### **Outside Activities**

The Firm's supervised persons share their business time between the Firm and other affiliated entities, as disclosed in Item 10 above. Supervised persons generally must seek prior written consent of the Chief Compliance Officer before serving as a director, manager, partner, member, trustee, officer, employee or contractor of any outside company or organization or receiving compensation from any outside company or organization. Outside activities generally will be approved only if material conflict of interest issues can be satisfactorily addressed, resolved, disclosed and/or mitigated and any necessary disclosures are made to investors (as applicable).

### **Gifts and Entertainment**

The Firm's supervised persons may on occasion offer or accept gifts or invitations to entertainment but must always act in the best interest of clients and investors and avoid any activity that would create a material conflict of interest or impropriety in the course of the Firm's business relationships. The Firm's gifts and entertainment policy implements internal controls to monitor such activity, including requiring supervised persons to report to, or obtain prior approval from, the Chief Compliance Officer before accepting or providing gifts and entertainment of significant value from or to clients, prospective clients, investors, prospective investors or other persons doing business or desiring to do business with the Firm or its affiliates.

### **Political Contributions**

The Firm's Political Contributions Policy generally prohibits contributions to certain U.S. government officials, candidates, political parties and political action committees by the Firm and its covered persons to the extent that the Firm has, or intends to solicit for investment, government entity investors in the CCC Funds (to the extent applicable).

## **Item 12: Brokerage Practices**

The Firm generally has the power and authority to carry out the investment mandates of the CCC Funds, including the purchase and sale of fund investments, the selection of brokers, and the negotiation of brokerage compensation. However, given that the CCC Funds generally do not buy or sell public securities, although the Firm has the authority to do so, it does not currently select broker-dealers to effect transactions for the CCC Funds.

In the event the Firm intends to utilize a broker for any transaction or series of transactions on behalf of the CCC Funds or other clients, the Firm may consider a number of factors, including reputation, financial strength and stability, efficiency of execution, ability to execute difficult or complex transactions, on-line access to computerized data regarding clients' accounts, and other matters involved in the receipt of brokerage services generally. The Firm does not enter into any soft dollar or other similar arrangements with broker-dealers. The Firm has no, and does not anticipate entering into any, directed brokerage arrangements. Due to the nature of the Firm's advisory business, the Firm generally does not aggregate transactions.

The Firm has no directed brokerage arrangements.



## **Item 13: Review of Accounts**

### Reviews of Accounts

The Principals conduct reviews of the CCC Funds, their investments and/or portfolio companies on at least a quarterly basis. The level of review is determined based upon the terms and investment activities of the CCC Fund and/or the Firm's discretion. As described in Item 10 above, certain of the Principals and our employees, officers, agents and/or affiliates serve as directors, officers and/or committee members on portfolio companies in which the CCC Funds invest and/or are actively involved in the operations of such companies. In connection with such activities, we monitor portfolio companies and the performance thereof. With respect to accounting matters, the Firm has engaged an independent accounting firm to conduct annual audits of the CCC Funds.

### Reports to Investors

Each CCC Fund provides to its limited partners annual audited financial statements and required income tax information. In addition, each CCC Fund generally provides quarterly or semi-annual performance reports to limited partners. In addition, the Firm may prepare and furnish to investors, upon request or on a periodic basis, reports summarizing a CCC Fund's portfolio holdings and performance, or such other information as requested by or agreed to in any side letter with an investor. Such reports may be furnished monthly, quarterly, or annually. We may provide additional information to a CCC Fund's Conflicts and Compensation Committee certain information as required for such committee to complete its required activities.

## **Item 14: Client Referrals and Other Compensation**

Certain affiliates of the Firm may receive fees from certain CCC Fund investors for financial planning or other activities provided on behalf of such investors. Such services may include the monitoring of the investment in the applicable CCC Fund. Any such fees or other compensation generally are disclosed to the investors.

As noted in Item 5 above, the Firm or its related persons (including the Principals) receive compensation from portfolio companies or with respect to portfolio company activities, and such compensation generally is not required to be shared with the CCC Funds (except as otherwise set forth in the applicable governing and offering documents).

The Firm currently does not (i) compensate any unaffiliated person for client referrals or (ii) receive compensation from any unaffiliated person in connection with the referral of clients to such person.

## **Item 15: Custody**

The Firm, as general partner of the CCC Funds, is deemed to have custody of the CCC Funds' cash and securities for purposes of Rule 206(4)-2 under the Advisers Act. Accordingly, the CCC Funds cash and securities generally are maintained at one or more qualified custodians selected by the Firm from time to time to the extent required by Rule 206(4)-2. Limited partners of the CCC Funds do not receive statements directly from the custodians. To comply with Rule 206(4)-2 under the Advisers Act, an independent public accountant conducts annual audits of each of the CCC Funds, and audited financial statements (prepared in accordance with generally accepted accounting principles) are distributed to each limited partner within 120 days of the end of each fiscal year.

Except as otherwise described above, the Firm does not have actual or constructive custody of the funds and securities of its clients.

## **Item 16: Investment Discretion**

The Firm has discretionary power and authority over the types of investments to be bought or sold, as well as the amount to be bought or sold, on behalf of the CCC Funds subject to any limitations set forth in the applicable governing documents. In addition, the Firm generally has authority to determine the broker-dealer or other counterparty to be used for CCC Fund transactions and the negotiation of commission rates and other consideration to be paid by the CCC Funds.

Each limited partner in a CCC Fund generally grants a limited power of attorney to enable the Firm to execute the applicable partnership agreement and perform certain other activities in connection with the administration of the CCC Fund on the investor's behalf.

## **Item 17: Voting Client Securities**

While the Firm technically has proxy voting authority on behalf of the CCC Funds, because the CCC Funds generally do not buy or hold public securities, it does not expect to be called upon to vote proxies with respect to securities owned by the CCC Funds. Nevertheless, in the event that the Firm is called upon to vote proxies, it will vote such proxies in accordance with the proxy voting policies and procedures set forth in the Firm's compliance manual.

Investors may obtain copies of our proxy voting policy, together with information regarding how we have voted past proxies, by contacting us.

## **Item 18: Financial Information**

The Firm does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. The Firm has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage client accounts.