

ITEM 1. COVER PAGE



# Juniper Investment Advisors, LLC

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Form ADV Part 2A | Firm Brochure  
Updated: March 27, 2020

This brochure provides information about the qualifications and business practices of Juniper Investment Advisors, LLC. If you have any questions about the contents of this brochure, please contact Nickolas Jensen, Chief Compliance Officer, at 480-840-8414 or [nick@jreia.com](mailto:nick@jreia.com). 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.

Any reference to Juniper Investment Advisors, LLC as a registered investment adviser does not imply a certain level of skill or training.

Additional information about Juniper Investment Advisors, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



## ITEM 2. MATERIAL CHANGES

This Brochure contains the following material changes from the initial Form ADV Part 2A dated April 4, 2019 filed by Juniper Investment Advisors, LLC (“Juniper”):

- Updates to Juniper’s regulatory assets under management.
- Updates to reflect Juniper’s advisory activities with respect to privately offered pooled investment vehicles that invest in real estate assets and equity and debt securities that are directly or indirectly secured by real estate.
- Updates to reflect Juniper’s advisory activities with respect to privately offered pooled investment vehicles that invest in certain seed, early stage, growth stage and later-stage privately held companies.
- The addition of Lawrence D. Bain as a Managing Partner of Juniper effective January 1, 2020.

Clients and prospective clients should review the Brochure in its entirety.

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## ITEM 4. ADVISORY BUSINESS

### ITEM 4.A. GENERAL DESCRIPTION OF ADVISORY FIRM

Juniper Investment Advisors, LLC, a Delaware limited liability company (“Juniper” or “we”), was formed in January 2019 to perform investment advisory services to clients. Our principal office and place of business is in Scottsdale, Arizona.

Juniper is wholly owned by Juniper Real Estate LLC, a Delaware limited liability company (“JRE”). The managers of JRE (the “Managing Partners”) are Lawrence D. Bain, Alejandro Krys, Armand Reale, Jonathan Strain and Jay Wolf.

### ITEM 4.B. DESCRIPTION OF ADVISORY SERVICES

Juniper offers investment advisory services to clients with separately managed accounts (“Managed Accounts”) and to privately offered pooled investment vehicles (“Managed Funds”) for which either Juniper or an affiliate acts as general partner and/or investment manager. Our Managed Accounts and Managed Funds are sometimes referred to in this brochure collectively as “accounts.”

We primarily provide advice with respect to real estate assets and equity and debt securities that are directly or indirectly secured by real estate. Those equity and debt securities may include mortgage loans, mezzanine loans, preferred equity interests in limited liability companies or limited partnerships that own real estate assets, debt or equity investments in corporations that primarily own real estate assets, commercial mortgage-backed securities (“CMBS”), and residential mortgage-backed securities (“RMBS”). We may also offer advice with respect to investment funds that directly or indirectly invest in real estate.

We also provide advice to Managed Funds that invest in certain seed, early stage, growth stage and later-stage privately held companies (“Venture Funds”).

### ITEM 4.C. AVAILABILITY OF CUSTOMIZED SERVICES FOR INDIVIDUAL CLIENTS

Juniper provides investment advice to each client of a Managed Account pursuant to a written investment management agreement that contains or refers to the client’s investment mandates, parameters and restrictions with respect to the account (“Investment Guidelines”). Investment Guidelines for each Managed Account are periodically reviewed and revised as required under the terms of the investment management agreement, upon the request of the client, or as we or the client otherwise determine is necessary or appropriate.

Juniper provides investment advice directly to each Managed Fund itself and not to the individual investors in the Managed Funds. Accordingly, Juniper tailors its advisory services to the individual needs of each Managed Fund but not to the individual needs of underlying investors in the fund. Juniper advises the Managed Funds in accordance with the investment objectives and limitations set forth in each Managed Fund’s offering memoranda, governing documents, subscription agreements, side letters, and any investment management agreement between Juniper and each Managed Fund (collectively, the “Governing Documents”).



Juniper has, and may in the future, enter into agreements, commonly known as “side letters,” with certain investors in a Managed Fund under which Juniper waives or modifies the application of certain investment terms applicable to such investors, without obtaining the consent of any other investor in the Managed Fund (other than an investor whose rights would be materially and adversely affected by the waiver or modification).

#### ITEM 4.D. WRAP FEE PROGRAMS

Juniper does not participate in wrap fee programs.

#### ITEM 4.E. REGULATORY ASSETS UNDER MANAGEMENT

As of December 31, 2019, we managed \$15,364,952 on a discretionary basis, and \$83,198,081 on a non-discretionary basis. These amounts reflect regulatory assets under management as calculated in Part 1 of our Form ADV.

## ITEM 5. FEES AND COMPENSATION

#### ITEM 5.A. DESCRIPTION OF COMPENSATION ARRANGEMENTS

The description below of our fees and compensation is intended to provide a brief summary of the more typical fee structures shared by certain types of our accounts and is not intended to depict every scenario where such structures may differ. Please refer to our accounts’ governing documents for specific details.

##### (1) *Management Fees*

As investment adviser of the Managed Funds, Juniper or its affiliate generally receives management fees on a monthly or quarterly basis based on annual fee rates, the amount of which varies depending upon the relevant fund, and is set forth within the terms of the relevant Governing Documents of such fund. The management fee is generally based on the net asset value of the relevant fund or unreturned capital contributions of the investors and is typically equal to 1.5% per annum of the assets or unreturned capital contributions, as applicable.

Management fees per annum for Managed Accounts are typically 1.5% of the account’s net asset value; however, these fees are subject to change. Management fees for Managed Accounts are negotiated between Juniper and the client and take into consideration the scope of management involved, the size of the account, and the particular investment objectives and needs of each client. For example, clients may negotiate a lower fee on certain types of assets within an account, such as cash, depending on the amount of cash in the account.

##### (2) *Performance-Based Fees*

Juniper and its affiliates have the potential to earn performance-based compensation in the form of performance fees or profit/incentive allocations from our Managed Funds. The amount, calculation and timing of the performance-based compensation are set forth in the terms of the Governing Documents of the Managed Fund. Generally, we are entitled to receive up to 20% of the realized profits of a fund’s



aggregate investments after such fund first distributes all contributed capital from the inception of the fund to its investors. In some funds, the investors in the fund may be entitled to receive an annual preferred return, typically 7%, before payment of any performance-based compensation to Juniper or its affiliates. As a result, Juniper generally receives a profit or incentive allocation from a Managed Fund, if any, in the latter part of a fund's life, although earlier in the fund's term we may receive tax distributions to cover our allocable share of income taxes.

Our existing Managed Account pays performance-based fees based on terms reflected in the investment management agreement. Those performance-based fees may be subject to a clawback depending on certain circumstances described in the investment management agreement. In the future, other Managed Accounts may also pay performance-based fees based on terms reflected in their respective investment management agreements. All performance-based fees are negotiated and agreed upon in writing in advance with each Managed Account client and may differ from the fees stated herein. Several factors are considered in establishing a fee schedule, such as type of mandate, size of portfolio, complexity of the relationship or strategy, and prior contractual commitments.

From time to time Juniper may in its sole discretion afford certain investors in Managed Funds or Managed Account clients more favorable economic terms than other investors in the same Managed Fund or other Managed Account clients within the same or similar investment strategy, including with respect to both management and performance-based fees, generally based on the timing and aggregate size of commitments of such investor or client, as applicable, to one or more accounts managed by Juniper or its affiliates. Any fees may be reduced or waived entirely by Juniper or its affiliates in their sole discretion.

#### ITEM 5.B. MANNER OF FEE PAYMENT

The manner in which management fees and performance-based fees are paid from Managed Funds are set forth in detail in the Governing Documents for the fund, and the manner in which management fees and performance-based fees are paid from Managed Accounts are set forth in detail in the investment management agreement for each Managed Account.

#### ITEM 5.C. OTHER FEES AND EXPENSES CLIENTS MAY BE CHARGED

Juniper's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses that may be incurred by clients, including certain charges imposed by custodians, brokers, and other third parties. In connection with certain investments, in addition to its management and performance-based fees discussed above, Juniper or its affiliates may charge other transaction fees, such as origination fees, servicing fees, administrative and documentation fees, and other fees. Any such fees will be negotiated, agreed upon and clearly disclosed in advance in writing to all accounts.

##### *(1) Operating Expenses.*

Subject to its governing documents, an account may also bear out-of-pocket costs, fees, expenses and liabilities that are incurred by, or arise out of the operation and activities of or otherwise are related to, such account, including those incurred by Juniper or its affiliates on behalf of or that are allocable to such account, including, without limitation:

- expenses relating to the investigation, development, negotiation, structuring, acquisition, trading, settling, valuing, monitoring, holding, and disposing of any account asset, and legal, tax, accounting and travel (including transportation, meal and accommodation) expenses relating thereto;
- the costs and expenses relating to valuation reports provided by Juniper for the account;
- the fees and expenses of any service providers engaged on behalf of the account (including, without limitation, appraisers and evaluation experts);
- all expenses incurred by Juniper and its affiliates in connection with Juniper's servicing activities in connection with loan assets held in any account, including, without limitation, expenses related to enforcement of those loan assets (*e.g.*, the fees and expenses of any outside counsel and independent accountants engaged in connection with such enforcement); and
- any indemnity obligations.

Except as agreed to in advance in writing with any client, Juniper will typically bear all its own overhead costs and expenses, including any costs and expenses relating to its office space, facilities and supplies and the compensation of its personnel.

## **(2) Organizational Expenses.**

Each Managed Fund will also bear all offering and organizational expenses (including with respect to internal resources that provide any services in respect of the organization of the Managed Fund, other than internal costs relating to marketing personnel) up to an amount specified in the relevant fund's Governing Documents.

The expenses above are not intended to be exhaustive and are qualified in their entirety by the applicable Governing Documents of each fund.

Investors in Managed Funds should review the applicable Governing Documents of the fund to fully understand all fees and expenses borne by the fund and, indirectly, by the investors in the fund.

## **ITEM 5.D. TIMING OF FEE PAYMENTS**

Typically, management fees are charged to a Managed Account at the beginning of each calendar month and the performance-based fee or allocation is charged to the Managed Account upon the sale or other disposition of managed assets in the account.

Management fees for Managed Funds are typically charged to the fund on a quarterly basis, payable in arrears, and the performance-based fee or allocation is typically payable to Juniper or its affiliate from available cash flow, distributed quarterly or upon a sale, refinance, or other disposition of fund assets, after the investors in the fund have received a return of their investment along with any preferred return.

Other fees may also be payable in connection with specific transactions as set forth in Item 5.C. above, the specific timing of which is set forth in the governing documents of the account. The timing of all fee payments will be negotiated, agreed upon and clearly disclosed in advance in writing to all clients.



#### ITEM 5.E. RECEIPT OF COMPENSATION FOR SALES

Neither Juniper nor its supervised persons are compensated for the sale of securities or other investment products.

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

Consistent with the provisions of Rule 205-3 under the Investment Advisers Act of 1940 (the “Investment Advisers Act”), and as discussed under Item 5 above, Juniper and its affiliated general partners may be entitled to performance-based compensation in connection with its accounts, depending upon the nature and investment strategy of the account.

Performance-based fee arrangements may create an incentive for Juniper to recommend investments to accounts that may be riskier, more speculative, or potentially more profitable than those that would be recommended under a different fee arrangement. Juniper advises each client in accordance with its investment strategy and any allocation restrictions set forth in the governing documents for each account so that each client is aware of the applicable investment strategy, restrictions, and risks.

### ITEM 7. TYPES OF CLIENTS

As previously mentioned, Juniper provides advisory services to both Managed Accounts and Managed Funds. The types of clients that may establish Managed Accounts or invest in Managed Funds include, but are not limited to, pension and profit-sharing plans, corporations, insurance companies, limited partnerships, other entities, and high net-worth individuals. Investors in our Managed Funds must be “qualified clients” as defined in Rule 205-3 promulgated under the Investment Advisers Act.

Generally, Juniper requires a minimum dollar value of \$5 million to establish a Managed Account. But Juniper may, at any time, waive that minimum in its sole discretion and accept a lesser amount.

Investors in Managed Funds are required to commit or contribute certain minimum capital amounts which vary among, and are disclosed in the Governing Documents of, each Managed Fund. The minimum commitment or contribution amounts for a Managed Fund vary depending on the Managed Fund, but typically range from \$25,000 to \$250,000. Minimum commitment or contribution amounts may be waived at the discretion of the general partner or investment adviser for such Managed Fund, including those for Juniper employees. All minimums are subject to change at the discretion of the general partner or investment adviser, as applicable.

### ITEM 8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

#### ITEM 8.A. METHODS OF ANALYSIS AND INVESTMENT STRATEGIES GENERALLY

Juniper’s real estate-based investment strategies primarily focus on the following investments: (a) the origination or acquisition of senior short-term commercial bridge loans with maturities of 12 to 36

months; (b) purchasing or investing in commercial and other mortgage and mezzanine loans, individually or in pools; (c) originating mortgage loans that are collateralized by real property located throughout the United States; (d) originating mezzanine loans that are collateralized by equity interests in real property located throughout the United States; and (e) pursuing, in an opportunistic manner, other real estate investments such as participation interests in loans, whole and bridge loans, commercial or residential mortgage-backed securities, equity or other ownership interests in entities that are the direct or indirect owners of real property, and direct or indirect investments in real property, such as those that may be obtained in a joint venture or by acquiring the securities of other entities which own real property.

Juniper expects that its Managed Account clients will seek to diversify investments across selected asset classes: whole or participating interests in commercial real estate mortgage loans and mezzanine loans; joint ventures and other debt and equity interests in commercial real estate ventures; direct investments in commercial real estate; and in other types of real estate-related assets and real estate-related debt instruments (which may include the acquisition of or financing of the acquisition of RMBS and CMBS). Subject to sufficient liquidity and other capital resources, Juniper expects the diversification of Managed Account portfolios to evolve in response to market conditions, including consideration of factors such as asset class, borrower group, geography, transaction size, and investment terms.

Depending upon the investment guidelines of each account, Juniper may approach investments in two broadly different ways: (1) with a credit emphasis, where a substantial portion of the return is in the form of a debt coupon, potentially supplemented by some equity upside; or (2) with an equity emphasis, where the return is primarily driven by equity investments. Juniper works closely with clients and sponsors in conducting thorough and complete due diligence. Juniper tries to be opportunistic with respect to deal flow and to select those transactions that provide the best risk-adjusted returns. Juniper leverages the extensive deal-sourcing network cultivated by its managing partners through their many years of experience investing in commercial real estate ventures, real estate-related debt instruments, and other opportunistic investments.

Venture Funds invest in seed, early stage, growth stage and later stage privately held companies. The size and nature of investments in these companies will vary. Investments in seed, early stage, growth stage and later stage companies are principally made in technology companies. Juniper and its affiliates work closely with each company in which such Venture Funds invest.

Investing in securities involves risk of loss that clients should be prepared to bear. Items 8.B. and 8.C. below discuss certain key material risks in connection with our investment strategies.

#### ITEM 8.B. AND 8.C. MATERIAL RISKS INVOLVED FOR JUNIPER'S STRATEGIES

The following discusses certain material risks for each significant investment strategy or method of analysis we use; however, the following discussion does not describe all risks that may be faced by existing and potential clients and investors. An investment in a Managed Fund is a speculative investment and is not intended as a complete investment program. For a more complete description of the specific risk factors relevant to a decision to invest in one of our Managed Funds, investors should refer to the confidential private placement memorandum for the relevant Managed Fund.

**Risks Related to Real Estate Investments.** A concentration of investments in the real estate industry may increase the volatility of returns of accounts and will increase an account's exposure to the



risk of downturns in the real estate industry in comparison to a portfolio that also included other sectors of the economy. As a result, distress in the real estate industry could adversely affect returns to an account or investors in a Managed Fund and may result in the loss of all or a part of an account or the investor's investment in a Managed Fund. With respect to any real estate asset that may be acquired for an account, including through foreclosure, the account will incur the burdens of ownership of real property, which include paying expenses and taxes, maintaining the property and any improvements on the property, and ultimately disposing of the property. In addition, real estate investments generally will be subject to the risks incident to the ownership and operation of the real estate, including (i) risks associated with both the general economic climate and local real estate conditions; (ii) risks due to dependence on cash flow; (iii) risks and operating problems arising out of the absence of certain construction materials; (iv) changes in supply of, or demand for, competing properties in an area (as a result, for instance, of over-building); (v) the financial condition of tenants, buyers and sellers of properties; (vi) changes in availability of debt financing; (vii) energy and supply shortages; (viii) changes in the tax, real estate, environmental and zoning laws and regulations; (ix) risks associated with the property's compliance with environmental laws; (x) various insured or uninsurable risks; (xi) natural disasters; and (xii) our ability to manage the property. There is no assurance that there will be a ready market for the investments because investments in real estate and real estate loans are generally less marketable than many other types of investments and are illiquid due to the unavailability of reliable or any market quotations. Accordingly, the ability of an account to vary its portfolio in response to changes in economic or other conditions may be limited. In addition, the acquisition, ownership and disposition of real estate and real estate loans entail litigation risks. Any one or more of the foregoing risks could materially adversely affect the return on the investments and could cause the loss of all or a part of an account's investments.

**Risks Related to Debt Investments.** Commercial lending depends upon the ability of the related real estate projects to generate income sufficient to pay debt service, operating expenses and leasing commissions and to make necessary repairs, tenant improvements and capital improvements, and in the case of commercial loans that do not fully amortize over their terms, retain sufficient value to permit the borrower to pay off the loan at maturity through a sale or refinancing of the mortgaged property. The ability of borrowers to repay commercial mortgage loans typically depends upon the successful operation and, if applicable, construction or rehabilitation, of the related real estate project and the availability of financing. Any factor that affects the ability of the project to generate sufficient cash flow could have a material adverse effect on the value of such loans. These factors include: (i) whether cash flow meets fixed obligations; (ii) changes in general and local economic conditions, including interest rates and other local market conditions; (iii) tenant credit risks; (iv) the availability of financing, which may make the operation, sale or refinancing of a property difficult or unattractive; (v) vacancy and occupancy rates; (vi) fluctuation of construction and operating costs; (vii) regulatory requirements, including zoning and rent control; (viii) environmental concerns; (ix) project and borrower diversification; (x) vandalism (with attendant security costs); (xi) uninsured losses; (xii) restrictions and compliance costs imposed by the Americans with Disabilities Act, the Fair Housing Act, as amended, and similar laws; (xiii) general non-recourse status; and (xiv) real and personal property tax laws, rates and assessments.

In addition, commercial properties may involve a single user or tenant or relatively few tenants. Commercial property specifications may be tailored to the requirements of particular users or tenants and, accordingly, it may be difficult, costly and time consuming to liquidate such properties or attract new tenants. Some properties may not be readily convertible (or convertible at all) to alternative uses if

those properties were to become unprofitable for any reason. As a result, the liquidation value of any mortgaged property may be substantially less than would be the case if the property were readily adaptable to other uses.

Our accounts may acquire performing, sub-performing and/or non-performing debt interests, as well as debt interests that become sub-performing or non-performing in the future. In addition to the risks of borrower default, the collateral may be mismanaged or otherwise may have declined in value and/or may in the future decline or further decline in value. Investments in debt are subject to the risk that, upon maturity of the real estate loans, replacement “takeout” financing will not be available. In addition, borrowers may contest enforcement of foreclosure or other remedies, seek bankruptcy protection against such enforcement, and/or bring claims for lender liability in response to actions to enforce loan obligations. Moreover, in certain situations, because an account, in the exercise of its remedies or rights under loan documents, may obtain contractual rights to participate in or to influence the management of properties by borrowers, the likelihood is increased that a borrower may claim that an account interfered with the borrower’s business, acted in bad faith in exercising its management rights or otherwise acted in a manner giving rise to a claim for lender liability. Often the exercise of remedies will not be led or controlled by an account, but may be led or controlled by a holder of a different class of securities which may conflict with the interests of an account.

As a lender, an account may also be subject to penalties for violations of state usury limitations, which may result in penalties assessed against an account or other liability to an account. In addition, an account’s investments in loans may involve workout negotiations, restructuring, the possibility of foreclosure and/or a discounted payoff. However, even if a loan restructuring were successfully accomplished, there are risks of a substantial reduction in the interest rate and/or a substantial write-down of the principal of such loans, each of which may also have adverse tax consequences. Further, the foreclosure process, which may not be led by an account, varies from jurisdiction to jurisdiction and can be lengthy and expensive and under certain circumstances or in certain states and/or non-U.S. jurisdictions can result in the inability to obtain a deficiency judgment or enforce a personal guaranty. Additionally, certain states and/or non-U.S. jurisdictions may have (or may enact after an account acquires loans) anti-deficiency and similar legislation that limits the ability of lenders to collect on guarantees and/or recover deficiencies from foreclosed borrowers, which could have a material adverse effect on an account’s anticipated return on certain loans.

As part of its investment program, an account may invest in fixed- and floating-rate loans, which investments may be in the form of loan participations or assignments of portions of such loans. In addition to the risks described above, participations and assignments involve special types of risk, including credit risk, interest-rate risk, liquidity risk, and the general risks related to being a lender. Loan participations typically represent direct participation in a loan to a corporate borrower, and generally are offered by banks or other financial institutions or lending syndicates. If an account purchases participations, then the account generally will have no right either to enforce compliance by the borrower with the terms of the underlying loan or to set-off obligations that an account may otherwise owe to the borrower. Furthermore, an account may not directly benefit from the collateral supporting the loan in which it has purchased the participation. As a result, an account would assume the credit risk associated with the corporate borrower and may assume the credit risk associated with an interposed bank or other financial intermediary, and may only be able to enforce its rights through the lender, and may assume the credit risk of the lender in addition to the borrower. An account may assign a portion of a loan or a portion of an interest in a loan held in an account to a third party (a “senior

participation”) and retain an interest in the account which is junior to the interest assigned to such third party. In such a case, the right of the account to receive payments of principal and interest from the borrower would be subordinate to certain rights of the senior lender. Purchases of or retentions of participations in real estate loans raise many of the same risks as investments in real estate loans and also carry risks of illiquidity and lack of control. Further, there may be no active secondary market for certain types of loans that an account intends to make or acquire or for certain equity participation rights of the kind that an account might acquire. Any of the foregoing risks could materially adversely affect the return on an account’s investments and could cause the loss of all or part of such investments.

**Risks Related to Mezzanine Loans.** Investments in mezzanine loans are generally secured by a pledge of the ownership interests in the entity that directly or indirectly owns the property and are typically junior to the obligations of the entity to senior creditors. These types of investments involve a higher degree of risk than senior mortgage loans because the investment may become unsecured as a result of foreclosure by the senior lender and Juniper’s ability to influence an entity’s affairs on behalf of an account, especially during periods of financial distress or following an insolvency, will be substantially less than that of senior creditors. In the event of a bankruptcy of the entity providing the pledge of its ownership interests as security, an account may not have full recourse to the assets of the property-owning entity, or the assets of the entity may not be sufficient to satisfy the mezzanine loan. If a borrower defaults on a mezzanine loan or debt senior to its loan, or in the event of a borrower bankruptcy, the mezzanine loan may be satisfied only after the senior debt is paid in full. As a result, an account may not recover some or all of its investment. In addition, mezzanine loans may have higher loan-to-value ratios than conventional mortgage loans, resulting in less equity in the property and increasing the risk of loss of principal. In certain circumstances, in order to protect its investment, an account may decide to repay all or a portion of the senior indebtedness relating to the particular loan or to cure defaults with respect to such senior indebtedness. In the bankruptcy of a borrower, those loans that are not secured by a lien on the underlying real estate would have a priority no greater than other general creditors of the borrower. In addition to repayment risks, these subordinate positions may be “soft,” meaning that they are subject to restrictions on enforcement rights prior to maturity or foreclosure of the senior position. These restrictions may adversely affect an account’s ability to control the underlying assets.

**Risks Related to Development, Redevelopment, Renovation and Construction.** Accounts may invest in undeveloped land, development and/or redevelopment properties, or loans secured by those properties. Undeveloped land and development and redevelopment properties involve additional risks in comparison to properties on which development has been completed. Undeveloped land, development and redevelopment properties may not generate operating revenue while costs and expenses are incurred between the acquisition of a project and the realization of the project’s objectives, including, but not limited to, property taxes and insurance. Because of this, a project may, as a result of changes in the real estate market, economic and/or other conditions prior to completing the project, become an economically unattractive investment. In addition, there are risks that development projects may be abandoned after the account has expended significant resources, construction may not be completed within budget or on schedule because of cost overruns, work stoppages, shortages of building materials, volatile increases in the cost of construction materials or labor, hurricanes, earthquakes or other natural disasters, the failure of contractors or subcontractors to perform their obligations under construction contracts, defects in plans and specifications and/or other factors.

Development and redevelopment activities are also subject to risks relating to the inability to obtain, or delays in obtaining, necessary entitlements, zoning, land-use, building, occupancy and other required governmental permits and authorizations. Delays caused by the need to obtain government approvals, permits and authorizations may extend construction periods and increase costs. Latent site conditions may also lead to increased costs and loss of revenue. Ultimately, development projects may not achieve anticipated occupancy levels or sustain anticipated rent levels. Any delay in completing the development or redevelopment of a project may result in increased interest and construction costs and the potential loss of previously identified purchasers or tenants. Any of these risks may cause losses to accounts or to investors in Managed Funds.

**Risks Related to Distressed Investments.** Accounts may invest in non- and sub-performing loans and other stressed and distressed securities. Stressed and distressed investment strategies generally involve investing in the securities and other assets of issuers in weak financial condition (perhaps having a negative net worth), experiencing poor operating results, needing substantial capital investment, facing special competitive or product obsolescence problems, or involved in various stages of bankruptcy or reorganization proceedings. Investment in the securities of financially or operationally troubled issuers involves a high degree of credit and market risk that may result in losses. Among the risks inherent in investments in financially troubled issuers is the fact that it is frequently difficult to obtain reliable information as to their true financial prospects. The market prices of stressed and distressed securities are subject to abrupt and erratic interim market movements and excessive price volatility. Securities of such issuers are typically more volatile and less liquid than securities of companies not experiencing such difficulties.

**Risks Associated with Originating Loans to Entities in Distressed Situations.** As part of Juniper's lending strategy, accounts may originate loans to entities that are experiencing significant financial or business difficulties, including entities involved in bankruptcy or other reorganization and liquidation proceedings. Although the terms of such financing may result in significant financial returns to the account, they involve a substantial degree of risk. The level of analytical sophistication, both financial and legal, necessary for successful financing to entities experiencing significant business and financial difficulties is unusually high. There is no assurance that Juniper will correctly evaluate the value of the assets collateralizing an account's loans or the prospects for a successful reorganization or similar action. In any reorganization or liquidation proceeding relating to an entity that an account funds, the account may lose all or part of the amounts advanced to the borrower or may be required to accept collateral with a value less than the amount of the loan advanced by the account to the borrower.

**Interest Rate Risk.** Our loan strategy typically involves loans that bear interest at a floating rate. An account will be taking on interest rate risk to the extent that the floating rate applicable to the financial assets in which the account invests decreases, reducing the cash flow available to the account. In addition, such floating-rate investments may fluctuate in value due to changes in interest rates because of a time lag between the period when interest rates rise and when rates on the investments are reset. Interest rates are also subject to certain risks arising from government regulation of, or intervention in, the interest rate markets through regulation of the local exchange market, limits on inflows of funds or changes in the general level of interest rates. Such regulation or intervention could adversely affect the performance of an account.

**Inability of Borrowers to Refinance or Sell the Underlying Real Property.** Our loan strategy primarily involves short-term commercial bridge loans with maturities of 12 to 36 months. Borrowers will be required to pay all or substantially all the principal balance of the loans at maturity, in



most cases with little or no amortization of principal over the term of the loan. Accordingly, in order to satisfy this obligation, at the maturity of a loan, a borrower may be required to refinance or sell the property or otherwise raise a substantial amount of cash. The ability to refinance or sell or otherwise raise a substantial amount of cash is dependent upon factors which neither an account nor the borrowers' control, such as national, local and regional business and economic conditions, government economic policies, and the level of interest rates. If a borrower is not able to pay the balance due at maturity, the loan will be in default, and if we are not willing to extend or restructure the loan, we will in most cases be required to foreclose on the property, which can be expensive and time consuming and could adversely affect the return for the account.

**Prepayment and Reinvestment Risk.** The loans may be pre-payable in whole or in part at any time at the option of the borrower, and such loans may or may not provide for the payment of a prepayment premium. Prepayment on loans may be caused by a variety of factors which are often difficult to predict, including the prevailing level of interest rates as well as economic, demographic, tax, social, legal and other factors. For example, during periods of declining interest rates or for other reasons, borrowers may exercise their option to prepay principal on debt obligations earlier than scheduled. Principal proceeds received upon such a prepayment are subject to reinvestment risk. Any inability to reinvest payments or other proceeds in satisfactory financial assets may adversely affect the yield of an account. Moreover, there is no assurance that we will be able to reinvest proceeds in assets with comparable interest rates or (if it is able to make such reinvestments) as to the length of any delays before such investments are made.

**Lending Risk/Borrower Fraud.** The potential for material misrepresentation or omission on the part of the borrower in the origination of loans, whether real estate-related or for other purposes, may adversely affect the valuation of the underlying collateral or may adversely affect our ability to perfect or effectuate a lien on the collateral securing those loans, as applicable. Notwithstanding the diligence efforts of Juniper, representations made by borrowers may be incomplete or inaccurate. In addition, under certain circumstances, payments to us by a borrower may be reclaimed if that payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment by the borrower.

**Risk of Decline in Value of Real Estate Collateral.** The value of the real estate that serves as collateral for loans is subject to market conditions. Changes in the real estate market may adversely affect the value of the collateral and thereby lower the value to be derived from a liquidation. In addition, adverse changes in the real estate market increase the probability of default, as the incentive of the borrower to retain equity in the property declines. Loans may become non-performing for a variety of reasons, including, without limitation, because the underlying property is too highly leveraged (and, therefore, the property is unable to generate sufficient income to meet its debt service payments), is poorly managed, or has not been fully completed. Such non-performing loans may require a substantial amount of workout negotiations and/or restructuring, which may entail, among other things, a substantial reduction in the interest rate, capitalization or interest payments and/or a substantial write-down of the principal of the loan. Moreover, even if such restructuring were successfully accomplished, a risk exists that upon maturity of such loans, replacement "take-out" financing will not be available.

**Mortgaged Backed Securities Risk.** Accounts may invest in RMBS, CMBS, and pools of residential and commercial mortgage loans, which may be purchased directly or indirectly through the acquisition of securitization interests. These investments may include mortgage loans of various types

(including Alt-A, subprime, and pay-option adjustable rate mortgage loans, in addition to traditional first lien mortgage loans) and may be performing or non-performing. Mortgage loans are subject to certain specific risks, and the mortgage loan pools underlying RMBS and CMBS are subject to all of the special risks associated with such mortgage loans, including those described above and elsewhere in this brochure. Further, investing in certain mortgage loans, RMBS, and CMBS involves the general risks typically associated with investing in traditional fixed-income securities (including interest rate and credit risk), and certain additional risks and special considerations, including the risks of principal prepayment and defaults as well as the risk of investing in real estate.

The risks of investing in mortgage loans reflect the risks of investing in real estate securing the mortgage loans (as the risks of investing in RMBS and CMBS reflect the risks of investing in real estate securing the loans included in the applicable securitization). Such risks include the effect of local and other economic conditions, the possibility of changes in the structure or effectiveness of the government sponsored enterprises, Fannie Mae, Freddie Mac, and Ginnie Mae, the ability of borrowers to make payments, and, in the case of mortgage loans backed by commercial real estate, the ability to attract and retain buyers or tenants. Increasing rates of delinquencies, foreclosures, and other losses on mortgage loans could, in turn, adversely affect certain other securities in which an account may invest.

**Risks Related to Seed, Early Stage, Growth Stage and Later-Stage Privately Held**

**Companies.** Venture Funds will invest primarily in seed, early stage, growth stage or later-stage privately held technology companies. These companies typically have relatively limited operating histories, generate modest or no revenues, and are not profitable. They require considerable additional capital, potentially at high valuations, to develop technologies and markets, acquire customers and achieve or maintain a competitive position. This capital may not be available at all, or on acceptable terms. Further, the technologies and markets of such companies may not develop as anticipated, even after substantial expenditures of capital. These companies may be particularly vulnerable to U.S. and foreign economic downturns such as the recent recession and may have limited access to capital. These businesses also frequently have less diverse product lines and a smaller market presence than larger competitors and may experience substantial variations in operating results. Such companies may face intense competition, including competition from established companies with much greater financial and technical resources, more extensive development, manufacturing, marketing and service capabilities, and a greater number of qualified managerial and technical personnel. Such companies typically depend upon the expertise and experience of a single individual executive or a small management team. It is expected that Venture Funds will not be represented on a portfolio company's board of directors by any principal or employee of Juniper, and that each portfolio company will be managed by its own officers (who generally will not be affiliated with Juniper or the Venture Fund).

Generally, very little public information exists about portfolio companies, and the Venture Funds will rely on the ability of Juniper to obtain adequate information to evaluate the potential returns. If Juniper is unable to uncover all material information about these companies, Juniper may not make a fully informed investment decision, and may lose money on its investment. Portfolio companies may have substantial variations in operating results from period to period and experience failures or substantial declines in value at any stage.

Early stage investments often require several rounds of capital infusions before the portfolio company reaches maturity. If an investor does not have funds available to participate in subsequent rounds of financing, that shortfall may have a significant negative impact on both the portfolio company and the face value of the investor's original investment. Investors in Venture Funds that invest in seed, early stage, growth stage and later-stage portfolio companies will typically be given the option, if available, to



participate in follow-on rounds of financings the portfolio company, which will require additional capital contributions by those investors. If the Venture Fund is unable to participate in follow-on rounds of financings, or investors choose not to participate in follow-on rounds of financings, the Venture Fund or non-participating investors, as applicable, may not be able to protect its or their investment in the portfolio company from dilution in future rounds of portfolio company financing.

**Lack of Diversification.** Except as otherwise set forth in the governing documents of an account, Juniper is not under any obligation to diversify accounts among a wide range of issuers or industries. Accordingly, returns may be subject to more rapid changes than would be the case if we were required to maintain a wide diversification among properties, companies, industries and types of securities.

**Valuation.** Valuations of an account's portfolio, which will affect the account's performance results, may involve uncertainties and judgmental determinations. The process of valuing assets for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had a ready market existed for such assets and may differ from the prices at which such assets may ultimately be sold. Further, third-party pricing information may at times not be available regarding certain of the account's assets. If the valuation by Juniper or its affiliate of the account's assets in accordance with Juniper's valuation policy should prove to be incorrect, the net asset value of an account's investments could be adversely affected. Absent bad faith or manifest error, valuation determinations in accordance with Juniper's valuation policy will be conclusive and binding. Moreover, because Juniper or its affiliates will determine in their respective discretion the value of any such assets, there may be an apparent conflict of interest in making that determination, given the potential impact of such valuations on an account's performance, particularly with respect to an account that pays performance fees to Juniper or its affiliates.

## ITEM 9. DISCIPLINARY INFORMATION

Juniper and its supervised persons have no reportable disciplinary events to disclose.

## ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

### ITEM 10.A. BROKER-DEALER ACTIVITIES

Jay Wolf and Alejandro Krys are the indirect owners of Robus Capital Partners LLC, which is registered as a broker-dealer with the SEC and is a member of the Financial Industry Regulatory Authority Inc. Robus Capital Partners LLC is a wholly owned subsidiary of Pacific Capital Corp. Pacific Capital Corp. is equally owned by Jay Wolf and Alejandro Krys, through KramERICA Industries, Inc. and Roza Industries, Inc., respectively.

### ITEM 10.B. COMMODITY OR FUTURES INDUSTRY AFFILIATIONS

Neither Juniper nor any of its management persons are registered, or have an application to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.



#### ITEM 10.C. AFFILIATE RELATIONSHIPS

As noted in Item 10.A. above, two of Juniper's principals, Jay Wolf and Alejandro Krys, indirectly own Robus Capital Partners LLC, a registered broker-dealer. As set forth in more detail in Item 12 below, Juniper does not typically engage in general securities trading activities with brokers for the types of investments where commissions (including mark ups or mark downs) are traditionally charged for the execution of client transactions; however, if Juniper requires the services of a securities broker-dealer, we will seek to obtain best execution on an overall basis.

Jay Wolf and Alejandro Krys also own Juniper Capital Partners, LLC, a sponsor of certain limited partnerships that own various investments in commercial real estate, private companies that own debt and equity investments in real estate, and other private companies. From time to time, Juniper Capital Partners, LLC or its affiliates may invest in the same or similar investments as clients and may hold debt and equity interests in clients. These investments could create conflicts of interest that Juniper will address as more particularly described in Item 11.B. through 11D. *Related Person Transactions* and Item 12.B. *Aggregation and Allocation* below.

Juniper Bishops Manager, LLC, a wholly owned subsidiary of Juniper, serves as managing member of Managed Funds and in this capacity receives management fees and may receive performance-based fees.

JIA Salucro C-3 Manager, LLC, a wholly owned subsidiary of Juniper, serves as managing member of a Venture Fund and in this capacity receives management fees and may receive performance-based fees.

#### ITEM 10.D. INVESTMENT ADVISER RECOMMENDATIONS

Juniper does not recommend or select other investment advisers for its clients.

### ITEM 11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

#### ITEM 11.A. CODE OF ETHICS GENERALLY

All Juniper principals, partners, officers and employees (including certain temporary employees and consultants) are subject to Juniper's Code of Ethics (referred to herein as the "Code"). The Code outlines Juniper's policies and procedures regarding standards of conduct, personal investment transactions, handling of material, non-public information and other areas. In addition, the Code provides for sanctions in the event of violations of the stated policies and procedures.

The Code contains several restrictions and procedures designed to eliminate conflicts of interest surrounding personal investment transactions of Juniper personnel, and their related persons, including: (1) quarterly reporting of non-exempt personal securities transactions that were transacted during the quarter; (2) initial and annual holdings reports; (3) a prohibition against personally acquiring securities in an initial public offering or a new issue offering without prior approval; (4) a prohibition against purchasing securities of a private placement without prior approval; and (5) a prohibition against acquiring any security which is subject to firm-wide restriction without prior approval.





Monitoring of employee personal securities transactions is handled by Compliance department personnel and any required and related records are maintained by the Compliance department.

Juniper's Code contains an insider trading policy. Specifically, the Code prohibits our managing partners, officers, directors and employees (including certain temporary employees and consultants) from buying or selling securities either for themselves or on behalf of others while in possession of material, non-public information about the company that violate applicable securities laws. The Code also prohibits the communication of material, non-public information about a company to others who have no official need to know. Depending on the circumstances surrounding the information received, Juniper may conclude to place the issuer on the firm-wide "Restricted Securities List," which would bar any purchases or sales of the issuer's securities by any Juniper personnel (including any related person) without prior approval.

Additional provisions of the Code outline Juniper's policies governing (1) gifts, meals, and entertainment; (2) political activity; (3) employee activities outside their employment with Juniper, including serving as a director and certain fiduciary appointments; (4) compliance with anti-corruption and anti-bribery laws; and (5) the maintenance of confidentiality of certain information.

If you would like a copy of Juniper's Code please forward your written request to the attention of Nickolas Jensen, Senior Vice President, General Counsel and Chief Compliance Officer at Juniper Investment Advisors, LLC, 7001 N. Scottsdale Rd., Suite 2050, Scottsdale, Arizona 85253.

#### ITEM 11.B. THROUGH 11.D. RELATED PERSON TRANSACTIONS

Juniper and its affiliates have invested in the future may invest in the same investments as its clients. For example, Juniper may originate a mortgage or mezzanine loan and may offer or invest a portion of that loan to a Managed Account or Managed Fund and also retain a portion of such loan for the account of Juniper or its affiliate. Because Juniper will decide which investments to offer to clients and in what proportions, a conflict of interest may arise whereby we may have an interest in offering greater proportions of those investments that we find less attractive, while retaining a greater proportion of those investments we consider to be more attractive investments. To mitigate potential conflicts of interest, Juniper seeks to ensure that all investments are fairly and equitably allocated based on the facts and circumstances and in accordance with the investment guidelines for each account and our allocation policies and procedures. Furthermore, Juniper's role and interest in a particular investment will be fully disclosed in advance in writing to prospective and existing investors and clients.

Affiliates of Juniper currently hold debt and equity interests in existing Juniper clients and Juniper affiliates may in the future hold debt and/or equity interests in current or prospective Juniper clients. Affiliates of Juniper also currently hold debt and equity interests in one or more portfolio companies of Venture Funds and may in the future hold debt and/or equity interests in portfolio companies of Venture Funds. These interests present conflicts that could cause Juniper to make different investment decisions than if Juniper did not have such financial interests in the existing or prospective client or investor or portfolio company of a Venture Fund. However, as noted above and in Item 12.B. below, Juniper recognizes its obligation to make investment allocation decisions in a fair and equitable manner and to allocate investment opportunities among its accounts in accordance with each account's investment guidelines and consistent with our allocation policies and procedures.

In addition to the foregoing, Juniper seeks to address the above conflicts through continuous and regular monitoring of all accounts for consistency with objectives, strategies, and target capacity. Further, Juniper carefully considers the risks involved in any investments and provides disclosure to clients regarding the potential risks that come with an investment with Juniper. As stated above, Juniper's Code provides guidelines for identifying and addressing conflicts of interest and requires employees to place the interests of our clients above their own or those of Juniper, and all employees are required to acknowledge their receipt and understanding of the Code.

## ITEM 12. BROKERAGE PRACTICES

Except as may be provided in any Governing Document of a Managed Fund or investment management agreement for any Managed Account, Juniper has full discretion to determine which investments to purchase and sell for its accounts. Juniper does not typically engage in general securities trading activities with brokers for the types of investments where commissions (including mark ups or mark downs) are traditionally charged for the execution of transactions within accounts. However, when closing certain investments, the legal fees and other expenses incurred to consummate transactions may be considered to be conceptually equivalent. Unless otherwise specifically negotiated and agreed to in writing by all participating clients or investors, all accounts share in these costs pro-rata to their amount invested. On a limited basis, if Juniper requires the services of a securities broker-dealer, we will seek to obtain best execution on an overall basis.

### *12.A.1. Research and Other Soft Dollar Benefits*

Juniper does not currently engage in the use of soft dollars.

### *12.A.2. Brokerage for Client Referrals*

Juniper does not participate in selecting or recommending broker-dealers in exchange for client referrals.

### *12.A.3. Directed Brokerage*

Juniper does not allow directed brokerage by its clients.

## ITEM 12.B. AGGREGATION AND ALLOCATION

Juniper recognizes its duty to treat all clients and investors fairly and equitably. Typically, the availability of investments pursued by Juniper on behalf of its clients is limited by the size of the investment (e.g. total loan amount) contemplated through the investment transaction. To the extent possible, we will allocate investment opportunities that are appropriate for more than one account according to policies designed by us to distribute investment opportunities on a fair and equitable basis guided by attributes of each specific loan and the investment objectives and constraints set forth in the Governing Documents of each Managed Fund and in each Managed Account's Investment Guidelines, as well as other factors including, but not limited to:

- standing commitments from clients or investors;

- cash flow changes (including available cash, redemptions, and exchanges), which may provide a basis to deviate from a pre-established allocation as long as doing so would not result in an unfair advantage to specific clients or investors over time;
- clients or investors with specialized investment objectives or restrictions emphasizing investment in specific investments or types of specified borrowers or collateral may be given priority over other clients or investors in allocating such investments;
- clients or investors may have specific investment size restrictions that affect allocations;
- prior investments in other accounts or special purpose vehicles;
- each account's investment objectives and investment focus;
- each client's appropriate risk profile;
- each client's liquidity and reserves;
- each client's risk appetite;
- each client's diversification;
- each client's targeted rate of return;
- anticipated holding period and/or liquidity of the investment;
- composition of each account's portfolio;
- tax implications;
- legal, contractual or regulatory constraints;
- timeliness of an investment commitment; and
- size of an investor's commitment relative to the proposed loan investment.

We do not anticipate trading public securities, however, in circumstances where Juniper is trading public securities and we determine to buy or sell the same security on behalf of more than one account, we may, but shall be under no obligation to, aggregate (to the extent permitted by applicable law and regulations) the securities to be purchased or sold in order to seek more favorable prices, lower brokerage commissions or more efficient execution. In such case, we will place an aggregate order with the broker on behalf of all such accounts to confirm that accounts for which no directed brokerage arrangement is in place are treated fairly; provided, however, that trading shall be reviewed periodically to confirm that accounts are not systematically disadvantaged by this policy. We will determine the appropriate number of securities to place with brokers and will select the appropriate brokers based upon the determination of who will likely provide best execution.



## ITEM 13. REVIEW OF ACCOUNTS

### ITEM 13.A. REVIEW OF ACCOUNTS

All discretionary investments must be approved by the Managing Partners, including Lawrence D. Bain, Alejandro Krysz, Armand Reale, Jonathan Strain and Jay Wolf. Investment professionals responsible for identifying and conducting due diligence on each investment present the investment to the investment team members, which will make the final decision with respect to the investment opportunity.

Following the acquisition of an investment, such investment is monitored on an ongoing basis by designated asset management professionals. The asset management group meets periodically and reviews account portfolios.

### ITEM 13.B. CLIENT REPORTS

Managed Account clients receive reports as often as called for in the relevant investment management agreement for the Managed Account. Investors in our Managed Funds receive reports as often as called for in the Governing Documents of the relevant Managed Fund, in addition to audited financial statements annually. In addition to the information generally provided to all investors in a particular Managed Fund or a Managed Account client, Juniper may provide certain investors or clients with additional information or more frequent reports that other investors or clients will not receive (e.g., in connection with certain side letter provisions, diligence requests, or certain co-investments).

In performing its investment management activities, Juniper and its affiliates allocate their respective personnel and their personnel's time among each of the Managed Accounts and Managed Funds in which they may be involved. Although each will devote such time as deemed necessary to conduct such investment management activities in an appropriate manner, conflicts may arise in the allocation of personnel and their time among such Managed Accounts and Managed Funds, particularly in connection with accounts that may involve substantially more time and resources than other accounts.

## ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

### ITEM 14.A. OTHER COMPENSATION

Juniper does not receive a direct economic benefit from any third party for providing investment advice or other advisory services to any client.

### ITEM 14.B. CLIENT REFERRALS

Juniper does not currently compensate any person, directly or indirectly, for client referrals.

## ITEM 15. CUSTODY

It is Juniper's general policy not to have physical custody of any client assets.



However, Juniper is deemed to have custody of assets of Managed Funds in cases where it or an affiliated entity serves as the general partner of a Managed Fund. In such cases, Juniper will cause all funds of the Managed Fund to be held by a qualified custodian and will cause the Managed Fund to be audited annually by an independent certified public accounting firm that is both registered with, and subject to regular inspection by, the Public Companies Accounting Oversight Board, and the audited annual financial statements will be distributed to all investors no later than 120 days after the end of the fiscal year for the Managed Fund. In addition, upon the final liquidation of the Managed Fund, Juniper will obtain a final audit and distribute the audited financial statements with respect to the liquidated Managed Fund to all investors promptly after completion of the final audit. Juniper or its affiliated entity receives quarterly account statements directly from the Managed Funds' qualified custodian, and Juniper or its affiliated entity, as investment adviser to the Managed Funds, reviews those statements.

Managed Account clients will receive account statements from the qualified custodian for their Managed Accounts and they should carefully review those statements. Managed Account clients that receive account statements from Juniper are urged to compare the account statements they receive from the qualified custodian with those that they receive from Juniper.

Juniper's investment program involves some investments in certain privately offered securities that are (i) acquired from the issuer in a transaction or chain of transactions not involving any public offering; (ii) uncertificated, and ownership thereof is recorded only on the books of the issuer or its transfer agent in the name of the client; and (iii) transferable only with prior consent of the issuer or holders of the issuer's outstanding securities. Juniper will be exempt from the requirement that such securities be maintained with a qualified custodian.

## ITEM 16. INVESTMENT DISCRETION

Juniper buys and sells assets, including real estate and portfolio company debt and equity securities, for its Managed Funds on a discretionary basis in a manner consistent with each client's investment objectives and restrictions. Juniper buys and sells assets, including real estate debt and equity securities, for its Managed Accounts on either a discretionary or non-discretionary basis, in accordance with the investment management agreement for the Managed Account and the investment objectives and restrictions set forth in the Investment Guidelines adopted in connection therewith. These investment objectives and restrictions, if any, will be determined at the commencement of the account. The investment objectives and restrictions for Managed Funds will be set forth in the Governing Documents of those funds. The investment objectives and restrictions for Managed Accounts are generally set forth in an investment management agreement negotiated between Juniper and the client. The authority for Juniper to exercise discretion, if any, is generally contained within such governing documents or investment management agreements.

Generally, Juniper or its affiliate has discretionary authority to manage the Managed Funds in a manner consistent with the investment objectives and restrictions outlined in the fund's Governing Documents.

Juniper may enter into investment management agreements with clients for Managed Accounts that either (a) grant Juniper discretionary authority to manage the account in a manner consistent with the client's Investment Guidelines, or (b) non-discretionary accounts in which Juniper may not exercise authority over the account without the approval of the client. With respect to non-discretionary



accounts, Juniper will be responsible for continuously and regularly monitoring and reviewing the account and, if any new investments are approved by the client, Juniper will be responsible for arranging or effecting the purchase or sale.

## ITEM 17. VOTING CLIENT SECURITIES

Our investment strategy does not generally involve the acquisition of public securities with voting authority, making it unlikely that a client will be placed in a position of proxy voting authority. Notwithstanding the foregoing, Juniper may exercise voting authority over the securities held in accounts over which Juniper has discretionary authority.

Rule 206(4)-6 under the Investment Advisers Act requires all investment advisers who exercise voting authority over client proxies to: (1) adopt policies and procedures for voting proxies in the best interest of the client; (2) describe the procedures to clients; and (3) inform clients how they may obtain information about how the adviser has actually voted their proxies.

Juniper understands its fiduciary responsibility to monitor corporate events, to vote proxies and cast votes in the best economic interests of its clients, and to not put client interests second to its own economic interests. Juniper has adopted the proxy voting policies and procedures set forth in its compliance manual. Under our proxy voting policy:

- Juniper will vote proxies in the best interests of each particular client. Our policy is to vote all proxies for a specific issuer in the same way for each client, absent some qualifying restrictions or a material conflict of interest.
- Juniper will generally vote with recommendations on routine corporate housekeeping matters.
- Juniper will generally vote against proposals that cause board members to become entrenched or cause unequal voting rights.
- Juniper may choose not to vote in certain instances where our interest may be deemed too small to make an impact. Such determination will be documented by way of a proxy voting log and maintained by the Chief Compliance Officer.
- In reviewing proposals, we may also consider the opinion of management, the effect on management, the effect on shareholder value and the issuer's business practices.
- Managed Account clients may retain the right to vote on proxies. However, where clients delegate the responsibility to Juniper, they may not direct us to vote in a particular manner. In these instances, proxies will be voted in accordance with our internal policies.

## ITEM 18. FINANCIAL INFORMATION

### ITEM 18.A. BALANCE SHEET

Juniper does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.



#### ITEM 18.B. FINANCIAL CONDITION

Juniper is not aware of any financial condition that is reasonably likely to impact its ability to meet its contractual commitments to clients.

#### ITEM 18.C. BANKRUPTCY PETITIONS

Juniper has never filed for bankruptcy.