

KORA

ITEM 1 COVER PAGE

Part 2A OF FORM ADV: FIRM BROCHURE

KORA MANAGEMENT LP

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This brochure provides information about the qualifications and business practices of Kora Management LP (“**we**,” “**us**,” or “**our**”). If you have any questions about the contents of this brochure, contact us at (212) 257-5670. The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission (the “**SEC**”) or by any state securities authority.

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

We are a registered investment adviser under the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”). Such registration under the Advisers Act does not imply any level of skill or training.

ITEM 2

MATERIAL CHANGES

Our prior annual brochure was dated and filed March 2019 (the “prior brochure”). Since the prior brochure, there have been no material changes to our brochure. Certain Items have been updated to reflect more detailed disclosure with respect to the information set forth in each such Item.

Our brochure may be requested, free of charge, by contacting our Chief Compliance Officer, Eugenie Kim, at (212) 257-5670 or eugenie@koracap.com.

IMPORTANT NOTE ABOUT THIS BROCHURE

This brochure is not:

- *an offer or agreement to provide advisory services to any person;*
- *an offer to sell interests (or a solicitation of an offer to purchase interests) in any Fund (as defined below); or*
- *a complete discussion of the features, risks or conflicts associated with any Fund.*

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ITEM 4 ADVISORY BUSINESS

A. General Description of Advisory Firm

Kora Management LP (the “**Investment Adviser**”) is a Delaware limited partnership organized on December 2, 2013. The Investment Adviser serves as the investment adviser to (i) Kora Master Fund LP, a Cayman Islands exempted limited partnership formed on December 6, 2013 (the “**KM Master Fund**”); (ii) Kora Fund LP, a Delaware limited partnership formed on December 2, 2013 (the “**KM Domestic Fund**”), which is designed primarily for certain qualified U.S. taxable persons, and which invests all of its investable assets in the KM Master Fund; (iii) Kora Offshore Fund Ltd, a Cayman Islands exempted company formed on December 6, 2013 (the “**KM Offshore Fund**”), which is designed primarily for certain qualified investors who are not U.S. persons and for certain qualified U.S. tax-exempt investors, and which invests all of its investable assets in the KM Master Fund; (iv) Kora Russia Fund LP, a Cayman Islands exempted limited partnership formed on December 1, 2017 (the “**Russia Fund**”), which is designed primarily for certain non-U.S. and U.S. qualified investors; (v) Kora Holdings I (D) LLC, a Delaware limited liability company formed on October 23, 2018 (the “**KHI Fund**”), which is designed primarily for certain qualified U.S. taxable investors; and (vi) Kora Holdings I Offshore Fund Ltd, a Cayman Islands exempted company formed on August 1, 2019 (the “**KHI Offshore Fund**” and together with the KHI Fund, the “**KHI Funds**”), which is designed primarily for certain qualified investors who are not U.S. persons and for certain qualified U.S. tax-exempt investors, and which invests all of its investable assets in the KHI Fund. We refer to the KM Domestic Fund together with the KM Offshore Fund and any additional feeder funds investing in the KM Fund as the “**KM Feeder Funds**” and together with the KM Master Fund, the “**KM Master-Feeder Funds**”. We refer to the KM Master-Feeder Funds, the Russia Fund, and the KHI Funds as the “**Funds**,” and each, individually as the context may dictate, a “**Fund**.”

From time to time, we or our affiliates may launch, sponsor, or provide investment advisory services to additional pooled investment vehicles or managed accounts. We refer to the Funds and any such additional pooled investment vehicles and managed accounts, collectively, as our “**Client Accounts**,” or more generally, with other potential clients, as our “**clients**.”

Kora GP LLC, a Delaware limited liability company formed on December 2, 2013, serves as the general partner of the KM Domestic Fund (the “**KM Domestic Fund General Partner**”) and Kora GP Ltd, a Cayman Islands exempted company formed on December 6, 2013, serves as the general partner of the KM Master Fund (the “**KM Master Fund General Partner**”). The KM Domestic Fund General Partner has ultimate responsibility for the management, operation and administration of the KM Domestic Fund and the KM Master Fund General Partner has ultimate responsibility for the management, operation and administration of the KM Master Fund.

Kora Russia GP LLC, a Cayman Islands limited liability company formed on November 30, 2017, serves as the general partner of the Russia Fund (the “**Russia Fund General Partner**”). The Russia Fund General Partner has ultimate responsibility for the management, operation and administration of the Russia Fund.

Kora Holdings I GP LLC, a Delaware limited liability company formed on October 24, 2018, serves as the general partner of the KHI Fund (the “**KHI Fund General Partner**” and together with the KM Domestic Fund General Partner, the KM Master Fund General Partner, and the Russia Fund General Partner, the “**Kora General Partners**”). The KHI Fund General Partner has ultimate responsibility for the management, operation and administration of the KHI Funds.

Our principal owners (through one or more entities) are Nitin Saigal and Daniel Jacobs (the “**Principals**”).

The Principals formed each Kora General Partner for the purpose of serving as the general partner of the respective Fund. Each Kora General Partner is owned (through one or more entities) by the Principals.

B. Description of Advisory Services

As an investment adviser, we provide discretionary investment advisory services for the Client Accounts. For a detailed discussion of our strategies, see Item 8 – “Methods of Analysis, Investment Strategies and Risk of Loss.”

Pursuant to our investment advisory agreements with each of the Funds, we provide advisory services and manage client assets in accordance with one or more of our established investment strategies. With respect to other Client Accounts, we will typically provide discretionary advisory services similar to the KM Master-Feeder Funds. In limited circumstances, we may tailor the types of securities or other instruments to be traded on the client’s behalf based upon specific directions provided by such clients in their investment advisory agreements or otherwise. Any restrictions on investing in certain securities, types of securities, or any geographic areas or industry sectors will be specified in the investment advisory agreement with, or offering and organizational documents of, the relevant client.

C. Wrap Fee Programs

We do not participate in wrap fee programs.

D. Assets Under Management

As of December 31, 2019, we had approximately \$ 853,341,417 regulatory assets under management on a discretionary basis and no assets under management on a non-discretionary basis.

ITEM 5

FEES AND COMPENSATION

A. Advisory Services and Fees

Written investment advisory agreements and/or organizational and offering documents of the Client Accounts govern the terms of compensation and the manner in which we charge fees to each of our clients. The fees we charge for our advisory services may be negotiable depending on the circumstances of the client's account and the service levels we provide to the client.

In addition to our fees and compensation, each Client Account will pay certain operating expenses and administrative expenses, as set forth in the applicable written investment advisory agreement and/or organizational and offering documents of the Client Account. Operating expenses and administrative expenses with respect to a Client Account may include, but are not limited to, all:

- i. fees, costs and expenses associated (directly or indirectly) with the negotiation, financing, sourcing, acquiring, holding, monitoring, hedging, settling and disposing of investments or proposed investments and other transaction costs, including, without limitation, transaction fees, brokerage fees, clearing and settlement charges; commissions, consulting, advisory, due diligence (including portfolio company background checks), investment banking, legal, financial, auditing, accounting, valuation, research, third-party consulting and other professional fees and expenses related to investments and proposed investments;
- ii. research-related computer hardware and software expenses, including Bloomberg terminals and subscriptions relating to, among other things, trading, order management, and other technology and services;
- iii. such Client Account's pro rata portion of the costs of our portfolio management system;
- iv. fees, expenses, and payments due to any investment banks and other financing sources in connection with the financing, sourcing, acquiring, holding, monitoring, hedging and disposing of investments or proposed investments;
- v. custodial fees, appraisal fees and expenses;
- vi. entity-level taxes, fees or other governmental charges, including any withholding taxes not due to the status or noncompliance of a particular investor;
- vii. the costs of any insurance (including, without limitation, general partner liability insurance, errors and omissions insurance, directors and officers insurance, if any, and other insurance policies with respect to such Client Account's business and affairs);

- viii. expenses incurred in the collection of monies owed to such Client Account;
- ix. management fees;
- x. legal, regulatory, compliance, auditing, research, and accounting fees and expenses (including, without limitation, fees and expenses incurred in connection with such Client Account's compliance with federal and state securities laws and other applicable federal and state laws (including the Gramm-Leach-Bliley Act, as amended), and fees and expenses of any administrator of such Client Account;
- xi. expenses associated with any applicable U.S. federal, state, local or non-U.S. laws, legal and/or regulatory filings of such Client Account (including, without limitation, Form D and "blue sky" filings and fees; Commodity Futures Trading Commission notice filings; Form 8.3 filings; and filings pursuant to Sections 13 and 16 of the Securities Exchange Act of 1934, as amended, such as Schedule 13D and Schedule 13G filings and Form 4 filings; provided, however, that expenses associated with Section 13H and Section 13F filings will be paid by us);
- xii. such Client Account's pro rata portion of the preparation, costs and filing fees with respect to our Form PF;
- xiii. expenses associated with the preparation and delivery of financial statements, tax returns and related documentation;
- xiv. extraordinary expenses (including, without limitation, litigation-related and indemnification expenses, whether payable in connection with a proceeding involving such Client Account or otherwise, and including the amount of any judgment or settlement paid in connection therewith);
- xv. the costs of service providers or software to measure or monitor risk metrics, to aggregate positions and/or to provide reporting with respect to risk metrics and/or positions;
- xvi. costs and expenses associated with investor communications and reports, and the delivery thereof to investors;
- xvii. reasonable expenses incurred in connection with any meetings of investors;
- xviii. reasonable expenses of the members and meetings of any committee of such Client Account;
- xix. expenses incurred in connection with the dissolution, liquidation, and termination of such Client Account;
- xx. broken-deal, failed transaction, break-up and similar fees, costs and expenses; and

- xxi. expenses incurred in connection with the preparation of amendments to such Client Account's organizational and offering documentation.

With respect to the KM Master-Feeder Funds, the KM Feeder Funds pay a proportionate share of the above-mentioned fees and expenses incurred by the KM Master Fund. With respect to the KHI Fund, the KHI Offshore Fund pays the above-mentioned fees and expenses incurred by the KHI Fund.

We will be responsible for and shall pay, or cause to be paid, all of our own ordinary overhead expenses, including rent, furniture, fixtures, equipment, office supplies, computer hardware, clerical expenses and all salaries, bonuses and benefits paid to, or on behalf of, our support personnel. We may advance funds on behalf of the Client Accounts and, if we do so and present evidence thereof acceptable to the Client Accounts, we shall be entitled to be reimbursed by the Client Accounts for such outlay. We are entitled to reimbursement by the Client Accounts with respect to outlays for travel related to the investment of the Client Accounts' assets. While we have waived our right to such reimbursement prior to and as of the date of this Brochure, we reserve the right to accept reimbursement with respect to such advances in the future.

We do not receive brokerage commission or other compensation attributable to the sale of securities or other investment products.

For a discussion of the factors that we consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of commissions and compensation for such broker-dealers, see Item 12 – "Brokerage Practices – Selection of Broker-Dealers and Reasonableness of Compensation."

B. Payment of Fees

As further described in the organizational and offering documents of the Funds, our compensation in respect of the Funds generally consists of an asset-based management fee and a performance allocation based on the net gains allocable to an investor's account. Such compensation is deducted from the applicable Fund's assets or directly from the accounts of Client Accounts.

The Funds and their investors are qualified purchasers as defined in section 2(a)(51)(A) of the Investment Company Act of 1940, as amended (the "**Investment Company Act**"). Therefore, detailed information on how we are compensated for our advisory services and our fee schedule are not included herein.

We may elect to waive or reduce the performance allocations and the management fees without notice to or the consent of any Fund (or underlying investors in the Funds).

Pursuant to the terms of the applicable investment advisory agreement, if the investment advisory relationship is terminated (or funds are withdrawn or redeemed) as of any date other than the last business day of the applicable payment period, we typically charge a prorated management fee based on the ratio that the number of days for which investment advisory services were rendered bears to the total number of days in that payment period, and we return any unearned fees

to the client or underlying investor. In the event that the investment advisory relationship is terminated (or funds are withdrawn or redeemed) other than at the end of a performance allocation calculation period, such termination (or withdrawal or redemption) date shall typically be treated as the end of a performance allocation calculation period.

ITEM 6

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

In some cases, including pursuant to our investment advisory agreements with the Funds, we will enter into performance or incentive fee or allocation arrangements with eligible clients. The terms and conditions of such fees or allocations are subject to individualized negotiations with each client. We will structure any performance or incentive fee or allocation arrangement in accordance with Section 205(a)(1) of the Advisers Act and the rules and regulations thereunder, including the exemption set forth in Rule 205-3 of the Advisers Act permitting performance fee arrangements with “qualified clients.” For a more detailed discussion of the calculation of the incentive fees or allocations paid or made, as applicable, by the Funds, see Item 5 – “Fees and Compensation – Payment of Fees.”

The amount of incentive fees or allocations made to us is dependent upon the Funds’ rate of return and may be substantial compared to a fee calculated as a percentage of the assets under management, which might be paid to a money manager for managing a comparable amount of money. This provision may provide an incentive to us to approve more speculative trading strategies in an effort to maximize the Funds’ rate of return.

To ensure fairness in the allocation of investment opportunities amongst Client Accounts, investment decisions and allocations (including dispositions) are made in accordance with our Trade Allocation Policy (the “**Allocation Policy**”), as such Allocation Policy is in effect at the time of such decision or allocation. The Allocation Policy is designed to ensure that all Client Accounts are treated fairly and equitably to prevent this form of conflict from influencing the allocation of investment opportunities among them. The Allocation Policy generally provides that we will allocate investment opportunities with regard to the suitability of such investments to each Client Account. We will not allocate investment opportunities based on anticipated compensation or profits to us, any of our affiliates or their professionals. In addition, no allocations will be made to a personal account of any of our employees.

In determining the suitability of each investment opportunity for a Client Account, consideration will be given to a number of factors, the most important being the Client Account’s investment objectives, strategies, guidelines, existing portfolio composition and cash levels, as well as legal, tax and regulatory suitability. As a result we may determine certain investment opportunities are appropriate for certain Client Accounts and not others. We attempt to address this potential conflict of interest of favoring one Client Account over another by monitoring on an ongoing basis that all Client Accounts are treated fairly and equitably to ensure that investments made for the Client Accounts are appropriate without regard to anticipated compensation or profits to us, in accordance with our Allocation Policy.

ITEM 7

TYPES OF CLIENTS

We currently provide investment advisory services to the Funds, which are offered to high net worth individuals; financially sophisticated individuals and institutional investors, including trusts, estates, or charitable organizations, pension and profit sharing plans; and commingled investment vehicles.

Generally, each investor in a Fund must be an “accredited investor” as defined in Regulation D under the Securities Act of 1933, as amended (the “**Securities Act**”), and a “qualified purchaser” as defined in the Investment Company Act. Certain of our employees who qualify as “knowledgeable employees” under Rule 3c-5 of the Investment Company Act may be permitted to invest directly or indirectly in a Client Account.

The offering documents of the Funds set minimum amounts for investment by prospective investors in such Funds. We may, in our sole discretion, waive any of these minimum account requirements, subject to applicable law.

ITEM 8

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. Methods of Analysis and Investment Strategies

Set forth below are summaries of the different strategies we employ with respect to the Funds, as well as a summary of our investment philosophy. Such strategies and our investment philosophy with respect to a Fund are described in such Fund's offering documents, organizational documents and/or investment management agreement.

KM Master-Feeder Funds

The investment objective of the KM Master-Feeder Funds is to generate superior risk-adjusted absolute returns over rolling, multi-year horizons, primarily through investment in international equities, with a primary focus on emerging economies.

Each of the KM Feeder Funds invests all or substantially all of its investable assets through the KM Master Fund, and conducts all or substantially all of its investment and trading activities indirectly through its investment in the KM Master Fund.

Russia Fund

The investment objective of the Russia Fund is to generate superior risk-adjusted absolute returns by investing in the publicly traded securities of companies with operations primarily in the Russian Federation or in companies whose future success is heavily influenced by operations in the Russian Federation.

KHI Funds

The investment objective of the KHI Fund is to generate superior risk-adjusted absolute returns by investing all of its investable assets in Sea Limited (NYSE: SE) or its affiliates and related businesses ("SE").

The KHI Offshore Fund invests all or substantially all of its investable assets through the KHI Fund, and conducts all or substantially all of its investment and trading activities indirectly through its investment in the KHI Fund.

Our Investment Philosophy

Through our focused research efforts, we have implemented a process-driven approach to our investments. By focusing on a narrowed universe of businesses, we expect to be able to conduct our research in significant depth. We focus a substantial amount of our efforts on conducting due diligence on the ecosystem of competitors, suppliers, and customers that surround any prospective or existing portfolio company, and conduct an in-depth analysis of the local, regional and global peers of such company. We believe that understanding what a business and its market opportunities today may develop into tomorrow requires rigorous financial, accounting and operational analysis. We spend significant time in this analysis, particularly in understanding the balance sheet and cash

flow statements of a business, rather than focusing solely on the selected earnings presented by the company's management team.

Our philosophy for long investing relies on identifying long-term compounders in which we have a high degree of confidence over a multi-year horizon.

Our philosophy for short selling relies on identifying businesses in which we see a large divergence between current investment perception and current business fundamentals, and, equally important, a clear research path to understand how and when these two factors will converge.

At a portfolio level, we intend to take a "best ideas" approach to adding individual long and short term investments to the Funds' portfolio. Additionally, we expect to employ a series of checks and balances to seek to ensure that the sum of these individual decisions prudently balances risk and reward over both the short and long term.

We expect any other clients to pursue investment objectives similar to those described above in respect of the Funds.

B. Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. More specifically, an investment in any Fund or other Client Account involves substantial risks, which may include, but are not limited to, those described below. There can be no assurance that a Fund's or other Client Account's investment objectives will be achieved or that there will be any return of capital, and investment results may vary substantially on a monthly, quarterly or annual basis. Each Fund or other Client Account is a potentially suitable investment only for sophisticated investors for whom an investment in such Fund or other Client Account does not represent a complete investment program and who, in consultation with their own investment and tax advisors, fully understand and are capable of assuming the risks of an investment in such Fund or other Client Account. Because this is not an exhaustive list of all of the risks associated with the conduct of our investment advisory business, clients should read this brochure, any investment advisory agreement and any offering documents of the particular Fund or other Client before making an investment with us.

- *Novel Coronavirus Pandemic, Public Health Emergency and Global Economic Impacts.* As of the date of this brochure, there is an ongoing outbreak of a novel and highly contagious form of coronavirus ("**COVID-19**"), which the World Health Organization declared a pandemic on March 11, 2020. The outbreak of COVID-19 has caused a worldwide public health emergency with a substantial number of hospitalizations and deaths, and has significantly adversely impacted global commercial activity and contributed to both volatility and material declines in equity and debt markets. The global impact of the outbreak is rapidly evolving, and many country, state and local governments have reacted by instituting mandatory or voluntary quarantines, travel prohibitions and restrictions, closure or reduction of offices, businesses, schools, retail stores and other public venues and/or cancellation, suspension or postponement of certain events and activities, including certain non-essential government and regulatory activity. Businesses are

also implementing their own precautionary measures, such as voluntary closures, temporary or permanent reductions in work force, remote working arrangements and emergency contingency plans. Such measures, as well as the general uncertainty surrounding the dangers, duration and impact of COVID-19, are creating significant disruption in supply chains and economic activity, impacting consumer confidence and contributing to significant market losses, including having particularly adverse impacts on transportation, hospitality, tourism, sports, entertainment and other industries dependent upon physical presence. As COVID-19 continues to spread, potential additional adverse impacts, including a global, regional or other economic recession of indeterminate duration, are increasingly likely and difficult to assess.

The extent of the impact of COVID-19 on a Fund and its investments' operational and financial performance will depend on many factors, including the duration and scope of the resulting public health emergency, the extent of any related restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and levels of economic activity, and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. The effects of the COVID-19 pandemic may materially and adversely impact the value, performance and liquidity of a Fund or its investments, leverage availability and terms, our or a Fund's ability to source, manage and divest investments and our ability to achieve a Fund's investment objectives, all of which could result in significant losses to a Fund and its investors.

COVID-19 may also adversely impact one or more individual investors financial condition, which could result in capital call defaults and/or redemption requests by such investors as a result of their individual liquidity situations and irrespective of a Fund's performance. Such investor defaults and redemption requests could also adversely affect a Fund.

In addition, COVID-19 and the resulting changes to global businesses and economies likely will adversely impact the business and operations of a Fund's, such Fund's portfolio companies' and our business operations. Certain businesses and activities may be temporarily or permanently halted as a result of government or other quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors, including the potential adverse impact of COVID-19 on the health of key personnel.

- *General Investment and Trading Risks.* A Fund may invest in and actively trade securities using strategies and investment techniques with significant risk characteristics, including risks arising from the volatility of the global equity, currency, and fixed income markets, the risks of short sales, the risks of leverage, and the risk of loss from counterparty defaults. No guarantee is made that a Fund's investment program or overall portfolio, or various investment strategies used or investments made will have low correlation with each other or with the market or

that a Fund's returns will exhibit low long-term correlation with an investor's traditional securities portfolio. A Fund's investment program may use such investment techniques as margin transactions, short sales, and leverage, which practices can involve substantial volatility and can, in certain circumstances, substantially increase the adverse impact to which such Fund may be subject.

- *Investment Judgment.* The profitability of a significant portion of a Fund's investment program may depend to a great extent upon correctly assessing the future course of the price movements of securities and other investments. There can be no assurance that we will be able to predict accurately these price movements.
- *Risks of Certain Investment Strategies.* If our evaluation of an investment opportunity should prove incorrect, a Fund could experience losses as a result of a decline in the market value of securities in which such Fund holds a long position or an increase in the value of securities in which such Fund holds a short position. The risk management techniques that we may utilize will not provide any assurance that a Fund will not be exposed to a risk of significant investment losses. The investment programs of each Fund are expected to utilize such investment techniques as options on securities and futures (subject to applicable regulatory requirements), margin transactions, short sales and leverage, which practices can, in certain circumstances, increase the adverse impact to which the Funds may be subject. The timing of such adverse impacts cannot be predicted and may result in substantial volatility in a Fund's performance.
- *Competition.* The securities industry is extremely competitive. Each Fund will compete for investment opportunities against various other investors, including many of the larger securities and investment banking firms, which have substantially greater financial resources and research staffs. Competitive investment activity by other firms may reduce a Fund's opportunity for profit by reducing or amplifying the magnitude as well as the duration of the market inefficiencies which we seek to exploit.
- *Concentration of Investments.* We have no obligation to maintain a diversified portfolio of investments and a Fund may hold relatively few investments and/or be more concentrated in a limited number of investments, industries or geographies. A Fund could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected.
- *Limited Diversification and Sector Investing.* A Fund may hold a limited amount of positions (both long and short) at any given time. As a result of a Fund's possible lack of diversification, a significant loss in any one position may have a material adverse effect on the net asset value and rate of return of such Fund. Diversification of a Fund's assets among different industries is not a primary goal of any of the Funds. Therefore, any fluctuation in the overall value of securities in specific industrial or consumer sectors in which a Fund is invested likely will have a material effect on the performance of such Fund. In addition, Funds may be more

vulnerable to changes in the economy or those industries or other factors than a broad based portfolio, and, as a result, performance results may be highly volatile and may result in a Fund significantly outperforming, or under-performing, the market as a whole.

- *Equity Securities.* A Fund may invest in equity and equity-related securities, including, without limitation, equity investments acquired in connection with restructured debt securities or instruments, or in connection with reorganizations and/or restructurings of debt securities, equity securities, or other obligations and assets of undervalued, operationally challenged and/or financially troubled companies or institutions. Equity securities fluctuate in value in response to many factors, including the activities and financial condition of individual companies, the business market in which individual companies compete, industry market conditions, interest rates and general economic environments.
- *Short Sales.* A Fund's investment program may include short selling for certain purposes. Such practice can, in certain circumstances, substantially increase the impact of adverse price movements on such Fund's portfolio. A short sale of a debt instrument such as a bond involves the theoretical risk of an increase in the market price plus accrued interest. A short sale of equity securities involves the theoretical risk of an unlimited increase in the market price of securities sold short. Moreover, short selling is limited to securities that can be borrowed, and it may be necessary to cover short positions at an undesirable time and at undesirable prices because securities that were shorted can no longer be borrowed.
- *Hedging.* A Fund may engage in a variety of hedging transactions. Hedges can be more difficult to implement than many other types of transactions, and the possibilities for errors may be greater than for other transactions. Additionally, there is no guarantee that these hedging transactions will prevent losses to such Funds. The success of a Fund's hedging strategy will be subject to our ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolio being hedged. Since the characteristics of many securities change as markets change or time passes, the success of a Fund's hedging strategy will also be subject to our ability to continually recalculate, readjust, and execute hedges in an efficient and timely manner.
- *Exchange-Traded Funds.* A Fund may invest in exchange-traded funds ("ETFs"). In addition to the risks associated with investments in ordinary securities of individual issuers, there are events that can trigger sharp and sometimes adverse price movements in ETFs. Not limited to, but among these, are surprise dividends, changes to regular dividend amounts, announcements of rights offerings and possible surprise revisions to net asset values.
- *Options.* A Fund may engage in the trading of options. Such trading involves risks substantially similar to those involved in trading margined securities in that options are speculative and highly leveraged. Specific market movements of the securities

underlying an option cannot accurately be predicted. The purchaser of an option is subject to the risk of losing the entire purchase price of the option. The writer of an option is subject to the risk of loss resulting from the difference between the premium received for the option and the price of the security underlying the option which the writer must purchase or deliver upon exercise of the option.

- *Derivatives.* A Fund may invest in derivative financial instruments. In addition, a Fund may from time to time utilize both exchange-traded and over-the-counter futures, options and contracts for differences, for hedging purposes, as well as other derivatives. Regulatory restraints may restrict the instruments that such Fund may trade. Such derivative instruments are highly volatile, involve certain special risks and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further losses exceeding any margin deposited. Further, when used for hedging purposes there may be an imperfect correlation between these instruments and the investments or market sectors being hedged.

The trading of over-the-counter derivatives will subject a Fund to a variety of risks including: (i) counterparty risk, (ii) clearing member risk, (iii) clearinghouse risk, (iv) basis risk, (v) interest rate risk, (vi) settlement risk, (vii) legal risk, and (viii) operational risk. Counterparty risk is the risk that one of a Fund's counterparties might default on its obligation to pay or perform generally on its obligations. Clearing member risk is the risk that one of a Fund's derivatives clearing members might default on its obligation to pay or perform generally on its obligations (and such risk is not fully covered by the relevant clearinghouse). Clearinghouse risk is the risk that one of a Fund's derivatives clearinghouses might default on its obligation to pay or perform generally on its obligations. Basis risk is the risk that the normal relationship between two prices might move in opposite directions. Interest rate risk is the general risk associated with movements in interest rates. Settlement risk is the risk that a settlement in a transfer system does not take place as expected. Legal risk is the risk that a transaction proves unenforceable in law or because it has been inadequately documented. Operational risk is the risk of unexpected losses arising from deficiencies in a firm's management information, support and control systems and procedures. Transactions in over-the-counter derivatives may involve other risks as well, as there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk.

- *Leverage.* A Fund may leverage its investment positions by borrowing funds from securities broker-dealers, banks, or others. Such leverage increases both the possibility for profit and the risk of loss. Loans typically will be secured by a Fund's securities and other assets. Under certain circumstances, a lender may demand an increase in the collateral that secures a Fund's obligations, and if such Fund is unable to provide additional collateral, the lender could liquidate assets held

in the account to satisfy such Fund's obligations. Liquidation in that manner could have extremely adverse consequences. In addition, the amount of a Fund's borrowing and the interest rates on that borrowing, both of which will fluctuate, may have an effect on the Funds' profitability.

- *Securities Lending and Borrowing.* A Fund may lend securities to securities brokers and other institutions as a means of earning additional income or may borrow securities from securities brokers or other institutions to cover short positions. If the other party to such transaction becomes insolvent or bankrupt, such Fund could experience delays and extra costs in recovering payment or the securities. To the extent that, in the meantime, the value of securities changes, such Fund could experience further losses. Security loans must be fully collateralized, and we must be satisfied with the creditworthiness of the other party to the transaction.
- *Small and Medium Capitalization Companies.* A Fund may invest in the equity and other securities of companies with small to medium-sized market capitalizations. While we believe that such companies often provide significant potential for appreciation, such investments, particularly small-capitalization securities, involve higher risks in some respects than do investments in securities of larger companies. The prices of small capitalization and even medium-capitalization securities are often more volatile than prices of large capitalization securities and the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to long investors) is higher than for larger, "blue-chip" companies. In addition, due to thin trading in some medium or small-capitalization securities, an investment in those securities may be illiquid. The small to medium-sized market capitalization securities may, at times, significantly underperform the large capitalization securities and may do so in the future. A related concern for short sale risk is that smaller companies tend to be more readily acquired.
- *Investments in Distressed Securities and Assets.* A Fund may invest a portion of their assets in stocks of, or real property previously held by, companies that are in, have been in or are about to enter bankruptcy or are otherwise experiencing severe financial or operational difficulties. The prices of these securities (or parcels of real property) fall in anticipation of the financial distress when their holders choose to sell rather than remain invested in a financially troubled company. This investment strategy seeks to capitalize on the knowledge, flexibility and long-term investment horizon of such Fund. These securities, however, have little stock market dependence or correlation to the performance of the stock market, succeeding or failing based upon our effectiveness and knowledge in uncovering all of the variables specific to a distressed company.

A Fund also may invest a portion of their assets in unrated debt securities and distressed debt. Distressed debt may be private or public securities, including senior and subordinated bonds and other debt instruments, of companies that are in, have been in or are about to enter bankruptcy or are otherwise experiencing severe financial or operational difficulties. Unrated debt securities and distressed debt

generally are considered to have more risk than other debt securities. Companies issuing such lower-rated debt securities are not as strong financially, and are more likely to encounter financial difficulties and be more vulnerable to changes in the economy than better capitalized companies. Although distressed debt may already be trading at substantial discounts to prior market values, there is significant risk that the financial, legal or other status of the issuer may deteriorate even further.

- *Special Situation Investments.* A Fund may invest in companies involved in (or the target of) acquisition attempts or tender offers or in companies involved in or undergoing work-outs, liquidations, spin-offs, reorganizations, bankruptcies or other catalytic changes or similar transactions. In any investment opportunity involving any such type of special situation, there exists the risk that the contemplated transaction either will be unsuccessful, take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price to such Fund of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, such Fund may be required to sell their investment at a loss. Because there is substantial uncertainty concerning the outcome of the transactions involving financially troubled companies in which such Fund may invest, there is a potential risk of loss by such Fund of its entire investment in such companies.
- *Risks of Foreign Investments.* A Fund may invest in securities of foreign companies, governments, and government agencies. Investing in such securities, which are generally denominated in foreign currencies, and the use of forward foreign currency exchange contracts, involves unusual risk not typically associated with investing in securities issued by U.S. companies or by the U.S. government or its agencies or instrumentalities. Such Fund may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rate between such currencies and the U.S. dollar. Moreover, individual foreign economies may compare unfavorably with the U.S. economy in growth of gross national product, rate of inflation, rate of savings and capital reinvestment, resource self-sufficiency, and balance-of-payment positions, and in other respects. Some of the countries in which such Fund may invest have laws and regulations that currently preclude or severely restrict direct foreign investment in securities of their companies. Securities of some foreign companies are less liquid and their prices are more volatile than securities of comparable U.S. companies. Investing in foreign securities creates a greater risk of securities clearance and settlement problems. Further, some of the securities in which such Fund may invest may be thinly traded and relatively illiquid or may cease to be traded after such Fund invests in them. In addition to being illiquid, such securities may be issued by unseasoned companies and may be highly speculative. No assurance can be given that the investment portfolio will generate any income or will appreciate in value. In addition, a Fund occasionally may acquire relatively large positions in a few securities. In such cases, and in the event of extreme market activity, such Fund may not be able to liquidate investments promptly if the need should arise, which

could materially and adversely affect the results of such investments.

- *Risks of Emerging Markets.* A Fund may invest in securities of foreign companies, governments, and government agencies. Investing in emerging markets poses greater risks and a greater potential for returns than investing in developed countries. Securities of companies in these emerging markets are generally more volatile and may be much more volatile than securities issued by companies located in developed countries.
- *Global Risks.* Some of the companies in which a Fund may invest may be particularly exposed to the risk of political change and governmental action, including actions and changes to a foreign country's regulatory and tax laws, rules, regulation and policies. With respect to some foreign countries, there is the possibility of expropriation or confiscatory taxation, limitations on the removal of funds or other assets of such Fund, political or social instability, war or insurrection, terrorist attacks, or diplomatic developments that could affect the value and marketability of a Fund's investments in those countries. Any of the foregoing action and/or changes may adversely affect the value of the investments held by a Fund.
- *Tax Risks Associated with Short Sales.* Gain or loss from a short sale of property held for investment generally is considered capital gain or capital loss to the extent the property used to close the short sale constitutes a capital asset in the taxpayer's hands. Except with respect to certain situations where the property used to close a short sale has a long-term holding period on the date of the short sale, special rules generally treat the gains on short sales as short-term capital gains. In addition, the holding period of "substantially identical property" held by the taxpayer may be considered to begin only upon closing of the short sale. Moreover, a loss on a short sale will be treated as a long-term capital loss if, on the date of the short sale, the taxpayer has held substantially identical property for longer than the long-term holding period. The Internal Revenue Code of 1986, as amended, treats the acquisition of certain options to sell securities as short sales.
- *Risk of Operations/Liquidity Risks.* Although many of the securities that a Fund may acquire will be traded on public exchanges, each exchange typically has the right to suspend or limit trading in all securities that it lists. Such a suspension could render it difficult or impossible for such Fund to liquidate its positions and would thereby expose it to losses. In addition, some of the securities in which a Fund may invest may be thinly traded, restricted, or not traded in a public market, potentially making it difficult for such Fund to dispose of a position at the time or price desired. Moreover, in periods of extreme market volatility, the bid/ask spreads for some securities that ordinarily are liquid may widen, making it difficult or undesirable to sell the securities. Moreover, there is a possibility that the institutions, including brokerage firms and banks, with which a Fund will do business or with which securities may be entrusted for custodial purposes, will encounter financial difficulties that may impair the operational capabilities or the

capital position of such Fund. Such Fund will seek to mitigate this risk by selecting financially responsible brokers, clearing firms, and counterparties with which to do business. There can be no assurance that the trading markets will remain liquid enough for management to close out existing positions at any time there is a need to do so.

- *Institutional Risks; Counterparty Risk.* Institutions will have custody of the assets of each Fund. Certain assets of each Fund will be exposed to the credit risk of the dealers, brokers and exchanges through which we deal, whether we engage in exchange-traded or off-exchange transactions. These firms and/or financial institutions, regardless of how large or well-capitalized, may encounter financial difficulties that impair the operating capabilities or the capital position of a Fund. If any broker-dealer or other financial institution holding a Fund's assets were to become bankrupt or insolvent, it is possible that such Fund would be able to recover only a portion, or in certain circumstances, none of their assets held by such bankrupt or insolvent entity.

Brokers may trade with an exchange as principals on behalf of a Fund, in a "debtor-creditor" relationship, unlike other clearing broker relationships where the broker is merely a facilitator of the transaction. Such broker could, therefore, have title to all of the assets of such Fund (for example, the transactions that the broker has entered into on behalf of such Fund as principal as well as the margin payments that such Fund provides). In the event of such broker's insolvency, the transactions into which the broker has entered as principal could default, and the Fund's assets could become part of the insolvent broker's estate, to the detriment of such Fund. A Fund's assets may be held in "street name," in which case, a default by the broker could cause the Fund's rights to be limited to that of an unsecured creditor.

To the extent that a Fund invest in swaps, derivative or synthetic instruments, or other over-the-counter transactions, including forward contracts, or, in certain circumstances, non-U.S. securities, such Fund may also take a credit risk with respect to the parties with whom they trade and may bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions, which generally are backed by clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered into directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default.

- *Discretion and Changes in Investment Strategy.* We may have considerable discretion in choosing the securities that may be acquired and have the right to modify the investment strategy, selection criteria or hedging techniques used by a Fund without the consent of its investors. Any of these new investment techniques may not be thoroughly tested in the market before being employed and may have operational or theoretical shortcomings, which could result in unsuccessful investments and, ultimately, losses to such Fund. In addition, any new investment

strategy or hedging technique developed may be more speculative than earlier techniques and may increase the risk of an investment in such Fund.

- *Interest Rate Risk.* Generally, the value of fixed income securities will change inversely with changes in interest rates. As interest rates rise, the market value of fixed income securities tends to decrease. Conversely, as interest rates fall, the market value of fixed income securities tends to increase. This risk will be greater for long-term securities than for short-term securities. We may attempt to minimize the exposure of the portfolios to interest rate changes through the use of interest rate swaps, interest rate futures and/or interest rate options. However, there can be no guarantee that we will be successful in fully mitigating the impact of interest rate changes.
- *Capital Account Withdrawal Risks.* If investors in a Fund elect to withdraw a substantial amount as of the end of a given semi-annual period, such Fund might be forced to close out existing positions at a time when it was disadvantageous to do so. There can be no assurance that the trading markets will remain liquid enough for management to close out existing positions at any time there is a need to do so.
- *Borrowing; Interest Rates; Margin.* We may borrow funds from brokerage firms and banks on behalf of a Fund in order to be able to increase the amount of capital available for marketable securities investments. The rates at which a Fund can borrow, in particular, will affect the operating results of such Fund. Even if a Fund makes a profit on a trade, the interest expense incurred in carrying the position may exceed the profit generated by the trade. A Fund's use of short-term borrowings or repurchase agreements will result in certain additional risks to such Fund. For example, should the securities pledged to brokers to secure a Fund's margin accounts or repurchase obligation decline in value, such Fund could be subject to a "margin call," pursuant to which such Fund must either deposit additional funds with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden precipitous drop in the value of such Fund's assets, such Fund might not be able to liquidate assets quickly enough to pay off their margin debt.
- *Business and Regulatory Risks of Private Investments Funds.* The regulatory environment for private funds is evolving, and changes in the regulation of private funds and their investing activities may adversely affect the ability of a Fund to pursue its investment program and the value of the investments held by such Fund. There has been an increase in governmental, as well as self-regulatory, scrutiny of the alternative investment industry in general. It is impossible to predict whether changes in regulations may occur, but any regulations that restrict a Fund's activities could have a material adverse effect on such Fund's investments, including, without limitation, changes to regulatory and tax matters that may have an adverse impact on such Fund's investment activities. In addition, regulatory scrutiny may increase such Fund's exposure to potential liabilities and to legal, compliance and other related costs. Increased regulatory oversight may also impose additional administrative burdens on us, including, but not limited to,

responding to investigations and implementing new policies and procedures. Such burdens may divert our time, attention, and resources from such Fund's activities.

- *Business Continuity and Disaster Recovery.* A Fund's, such Fund's portfolio companies', and our business operations may be vulnerable to disruption in the case of catastrophic events such as fires, natural disaster (e.g., tornadoes, floods, hurricanes and earthquakes), terrorist attacks, pandemics (including, without limitation, COVID-19) or other circumstances resulting in property damage, network interruption and/or prolonged power outages. Although we have implemented various measures to manage risks relating to these types of events, there can be no assurances that all contingencies can be planned for. If such business operations are disrupted or suspended for extended periods of time, a Fund may be adversely affected.
- *Cyber Security Breaches and Identity Theft.* A Fund and such Fund's service providers' and portfolio companies', and our information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons, other security breaches and/or usage errors by their respective professionals. Although we have 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, we, a Fund and such Fund's service providers and/or their portfolio companies may have to make a significant investment to fix or replace them. The failure of these systems for any reason could cause significant interruption in such parties' 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 us, a Fund and/or such Fund's portfolio companies reputations, subject any such entity and their respective affiliates to legal claims and/or otherwise affect their business and financial performance. Specifically, cyber attacks and the failure of such systems may interfere with the processing of investors' subscriptions or withdrawals, impact a Fund's ability to value its assets, cause the release of confidential information of such Fund, and/or subject such Fund to regulatory fines, penalties or financial losses, reimbursement or other compensation costs, and/or additional compliance costs. A Fund also may incur substantial costs for cyber-security risk management to prevent any cyber incidents in the future. Such Fund and investors could be negatively impacted as a result.
- *U.S. Federal Income Tax Reform.* Major tax reform legislation has been passed by Congress commonly known as the Tax Cuts and Jobs Act (the "**Tax Reform Act**"), and President Trump has signed the Tax Reform Act into law. Among the numerous changes included in the Tax Reform Act are (i) a permanent reduction to the corporate income tax rate, (ii) a partial limitation on the deductibility of business interest expense, (iii) a new maximum tax rate for individuals receiving certain business income from "pass-through" entities, (iv) a partial shift of the U.S. taxation

of multinational corporations from a tax on worldwide income to a territorial system (along with a transitional rule which taxes certain historic accumulated earnings and rules which prevent tax planning strategies which shift profits to low-tax jurisdictions) and (v) the suspension of certain miscellaneous itemized deductions, including deductions for investment fees and expenses, until 2026. The impact of the Tax Reform Act on an investment in the Funds is uncertain. Prospective investors should consult their own tax advisors regarding potential changes in tax laws.

There are significant uncertainties regarding the interpretation and application of the Tax Reform Act. While additional guidance on the Tax Reform Act is expected, the timing, scope and content of such guidance are not known. Changes to the Internal Revenue Code of 1986, as amended, made by the Tax Reform Act and any further changes in tax laws or interpretation of such laws may be adverse to a Fund and its investors. In addition, although not free from doubt, the Tax Reform Act subjects allocations of income and gain in respect of entitlements to carried interest and gain on the sales of profits interests in certain partnerships realized in taxable years beginning after December 31, 2017 to higher rates of U.S. federal income tax than under prior law in certain circumstances. Significant uncertainties remain regarding the application of the provisions of the Tax Reform Act that affect the taxation of carried interest. Enactment of this legislation could cause our investment professionals to incur a material increase in their tax liability with respect to their entitlement to carried interest. This might make it more difficult for us to incentivize, attract and retain these professionals, which may have an adverse effect on our ability to achieve the investment objectives of a Fund. In addition, this can create a conflict of interest as our tax position may differ from the tax positions of a Fund and/or its investors and therefore, these rules may have an additional impact on the investment decisions made by a Fund, including with respect to decisions on the timing and structure of dispositions and whether to pursue other realization events during the holding period of an investment such as non-liquidating distributions. For example, the Tax Reform Act generally gives us an incentive to cause a Fund to hold an investment for longer than three years in order to obtain lower tax rates on carried interest gains even if there are attractive realization opportunities earlier than three years.

- *United Kingdom's ("U.K.") Exit from European Union ("**Brexit**")*. On June 23, 2016, the people of the U.K. voted in a referendum to leave the European Union ("**E.U.**"). On January 31, 2020 the U.K. left the E.U. However, the substance of any U.K.-EU agreement is not yet set.

Depending on the nature of the future relationship between the U.K. and the E.U., the Funds may be subject to different rules and requirements with respect to their fund management business. Brexit may also have an adverse effect on the tax treatment of the Funds and their portfolio investments. In particular, the E.U. Directives preventing withholding taxes being imposed on intragroup dividends, interest and royalties may no longer apply to payments made into and out of the U.K., meaning that the U.K.'s double tax treaty network will need to be relied on.

Not all double tax treaties fully eliminate withholding tax. Further, there may be changes to the operation of Value-Added Tax. While the most immediate impact of Brexit will likely be related to changes in market conditions, the development of new regulatory regimes and parallel competition law enforcement may have an adverse impact on the Funds and the Funds' transactions, particularly those occurring in, or impacted by conditions in, the U.K. and E.U.

- *Market Disruption and Geopolitical Risk.* In addition to the potential risks associated with COVID-19 as outlined above, A fund may be subject to the risk of loss arising from direct or indirect exposure to a number of types of other catastrophic events, including without limitation (i) other public health crises, including any outbreak of SARS, H1N1/09 influenza, avian influenza, other coronavirus, Ebola or other existing or new epidemic diseases, or the threat thereof; or (ii) other major events or disruptions, such as hurricanes, earthquakes, tornadoes, fires, flooding and other natural disasters; acts of war or terrorism, including cyberterrorism; or major or prolonged power outages or network interruptions. The extent of the impact of any such catastrophe or other emergency on a Fund and its portfolio companies' operational and financial performance will depend on many factors, including the duration and scope of such emergency, the extent of any related travel advisories and restrictions, the impact on overall supply and demand, goods and services, investor liquidity, consumer confidence and levels of economic activity, and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. In particular, to the extent that any such event occurs and has a material effect on global financial markets or specific markets in which a Fund participates (or has a material effect on a Fund's portfolio companies or locations in which such portfolio companies or we operate or on any of their respective personnel) the risks of loss could be substantial and could have a material adverse effect on a Fund or our ability to fulfill a Fund's investment objectives.

To the extent that any other Client Account pursues investment objectives similar to those described above in respect of the Funds, an investment in such Client Account will involve risks similar to those described above.

ITEM 9
DISCIPLINARY INFORMATION

To the best of our knowledge, there are no legal or disciplinary events that we believe would be material to our clients' or our prospective clients' evaluation of our advisory business or the integrity of our management.

ITEM 10
OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. Broker-Dealer Registration

Neither we nor any of our management personnel (i) are registered as broker-dealers or (ii) have any application pending to register with the SEC as a broker-dealer or registered representative of a broker-dealer.

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

Neither we nor any of our management personnel (i) are registered as a futures commission merchant, commodity pool operator, commodity trading advisor or an associated person of the foregoing or (ii) have any application pending to register with respect to any of the foregoing.

C. Material Relationships and Conflicts of Interests with Industry Participants

Our relationships and arrangements with our various clients and other industry participants are material to our advisory business and may raise conflicts of interest. Below is a description of some of the potential conflicts of interest arising from such relationships and arrangements. Because this is not an exhaustive list of all of the conflicts of interest associated with the conduct of our investment advisory business, clients should read this brochure, any investment advisory agreement and any offering documents of the particular Client Account before making an investment with us.

Multiple Clients

There is no limit on the number of clients that we or our affiliates may manage or advise. Further, we and our personnel may have investments in certain of our clients. Fund investors may also hold interests in other Client Accounts. As a result of the foregoing, we may have conflicts of interest in (i) allocating the time and resources of our personnel between and among clients; (ii) allocating investment opportunities between and among clients (see Item 6 – “Performance-Based Fees and Side-By-Side Management”); and (iii) effecting transactions between clients, including clients in which we or our personnel may have different financial interests.

Broker-Dealers and Other Service Providers

While we select our prime brokers, counterparties and service providers in accordance with our fiduciary obligations to our clients, from time to time, such parties or their affiliates may also invest in the Funds.

With respect to the selection of broker-dealers, we allocate portfolio transactions to brokers based on best execution. For a more detailed discussion of the factors that we consider in selecting or recommending broker-dealers for client transactions, see Item 12 – “Brokerage Practices.”

Our Code of Ethics requires us and our personnel to follow appropriate procedures designed to identify and properly disclose, mitigate, and/or eliminate applicable conflicts of

interest. For a more detailed discussion of our Code of Ethics, see Item 11 – “Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.”

D. Material Conflicts of Interest Relating to Other Investment Advisers

Pursuant to the organizational and offering documents of the Funds, we may enter into side letters or similar separate agreements with one or more investors in the Funds (including investment advisers) that may alter the terms and conditions generally applicable to investors in the Funds (including, without limitation, with respect to the management fee, the incentive allocation, lock-up periods, transfers, notices, and reporting and disclosure). As of the date hereof, we have entered into such agreements with one investment adviser.

Except as otherwise disclosed in this Item 10, we do not recommend or select for our clients, receive compensation directly or indirectly from, or have other business relationships with, other investment advisers.

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

A. Code of Ethics

We have adopted a Code of Ethics that is based on the principle that we, and each of our personnel, must act with competence, dignity, integrity, and in an ethical manner, when dealing with clients, the public, prospects, third-party service providers and fellow employees. Employees must use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, trading, promoting our services, and engaging in other professional activities.

We will provide a copy of our Code of Ethics, free of charge, to any client or investor and prospective client or prospective investor upon request. Our Code of Ethics may be requested by contacting our Chief Compliance Officer, Eugenie Kim, at (212) 257-5670 or eugenie@koracap.com.

B. Recommending, Buying, or Selling Securities in which We or a Related Person Have a Material Financial Interest, Invest, or Buy or Sell at the Same Time; Conflict of Interests

Although we generally do not permit such transactions, conflicts of interest may occur if we, or our related persons, were to trade in the same security at or about the same time as our clients. An example of such occurrence would be seeking to sell the securities we hold, while simultaneously recommending that our clients maintain their position in the security. In such circumstances, a sale by our related persons or by us may affect the liquidity, value or trading price of the securities that our clients continued to hold. In addition, we or our personnel may invest in the Funds, and, therefore, such persons may hold an indirect interest in the same securities as other investors in the Funds. Our Code of Ethics and our personal trading policy have been designed to limit such conflicts of interest.

We or our affiliates may give advice and recommend securities to certain clients that may differ from advice given to, or securities recommended to, or bought or sold for, other clients, even though their investment programs may be the same or similar.

On rare occasions, we may deem it to be in the best interests of our clients to reallocate or “cross” securities transactions between clients. We maintain policies and procedures intended to limit the potential conflicts of interest inherent in cross transactions. Further, our policies and procedures prohibit us from entering into “principal transactions” in which we or an affiliate act as principal for our own account or for the account of a client with respect to the sale of a security to or purchase of a security from another client.

Our Code of Ethics prohibits us and our personnel from trading for clients or for ourselves or themselves, or recommending trading, in securities of a company while in possession of material nonpublic information (“**Inside Information**”) about the company, and from disclosing such information to any person not entitled to receive it, in either case in contravention of applicable

securities laws. By reason of our various activities, we may have access to Inside Information or be restricted from effecting transactions in certain investments that might otherwise have been initiated. We have adopted policies and procedures reasonably designed to, among other things, control and monitor the flow of Inside Information to and within our organization, as well as prevent trading based on Inside Information.

C. Personal Trading

We believe restricting our personnel's personal trading is one way of avoiding conflicts of interest between our clients and such personnel. Our personal trading policies are part of our Code of Ethics. For a full description of our Code of Ethics, see Item 11 – "Code of Ethics, Participation or Interest in Client Transactions and Personal Trading – Code of Ethics."

Subject to certain key exceptions, firm personnel generally may not effect any securities transactions for themselves or their family members. Notwithstanding the above, firm personnel may effect securities transactions in the following securities for themselves or their family members without pre-clearance:

- Non-reportable securities; and
- reportable securities that are:
 - ETFs that track broad-based indices and commodities (as identified at <http://www.nasdaq.com/investing/etfs/broad-based.aspx>);
 - ETNs that track broad-based indices and commodities;
 - Sovereign debt securities; and
 - U.S. municipal securities.

In addition, firm personnel may effect securities transactions in private investments and digital securities, subject to advance approval by our Chief Compliance Officer.

Generally, if a proposed securities transaction involves a security appearing on our restricted list, the transaction will not be approved for personal trading. The restricted list is a dynamic, virtual list of companies or issuers about which a determination has been made that it is prudent to restrict trading activity. It is our policy that all personnel and their immediate family members strictly observe such trading activity prohibitions or restrictions.

In addition, in general, firm personnel must provide our Chief Compliance Officer with (i) their securities holdings and the securities holdings of any accounts over which they have any direct or indirect beneficial interest at the commencement of employment and annually thereafter, and (ii) quarterly transaction reports. Our Chief Compliance Officer will review such reports for potentially abusive behavior, and will compare the trading of firm personnel with transactions for our clients and against the restricted list.

The foregoing restrictions and reporting requirements do not apply to transactions in the following securities:

- Direct obligations of the Government of the United States;
- Bankers' acceptances, bank certificates of deposit, commercial paper and high-quality short-term debt instruments, including repurchase agreements;
- Shares issued by money market funds;
- Shares issued by open-end investment companies, other than funds advised or underwritten by us or our affiliates, so long as the underlying investments made by such investment companies are sufficiently diversified;
- Shares issued by unit investment trusts that are invested exclusively in one or more open-end registered investment companies, none of which are advised or underwritten by us or our affiliates, so long as the underlying investments made by such investment companies are sufficiently diversified; and
- Cryptocurrencies (although derivatives on cryptocurrencies, such as Initial Coin Offerings, along with certain digital assets that are offered and sold as an investment contract, are considered to be "Digital Securities" and as such are reportable securities).

D. Conflicts of Interest Created by Contemporaneous Trading

We manage investments on behalf of a number of Client Accounts. Investment decisions and allocations will be made in accordance with our Allocation Policy, as such policy and procedures are in effect at the time of such decision or allocation. Our Allocation Policy provides that such decisions and allocations will be made in a manner that is both fair and equitable to all of our Client Accounts in accordance with the investment objectives of such Client Accounts. We take steps to ensure that no participating Client Account will be systematically disadvantaged by the aggregation, placement or allocation of trades.

The KM Master-Feeder Funds and the Russia Fund have investment programs that overlap with each other, and, therefore, such Funds may participate with each other in investments. With respect to allocations between such Funds, all investment opportunities will generally be allocated exclusively to the KM Master Fund. However, when we have an investment opportunity in an issuer (i) domiciled in, or having a principal place of business in, Russia, (ii) listed on a Russian stock exchange or (iii) whose primary business is Russian-based (each such investment opportunity being referred to herein as a "**Russian Investment**" and collectively as "**Russian Investments**"), and we determine that such Russian investment is suitable for both the KM Master Fund and the Russia Fund, such Russian Investment will be allocated as follows:

1. If, immediately after giving effect to a Russian Investment, on a pro forma basis, (i) the net exposure (i.e., long market value minus short market value) of all Russian Investments maintained by the KM Master Fund will not exceed thirty percent (30%) of the KM Master

Fund's net asset value and (ii) the gross exposure (i.e., long market value plus short market value) of all Russian Investments maintained by the KM Master Fund will not exceed sixty percent (60%) of the KM Master Fund's net asset value (each of clauses (i) and (ii) being referred to as an "**MF Russian Exposure Limit**"), then pro rata between the KM Master Fund and the Russia Fund based on the net asset value of each of the KM Master Fund and the Russia Fund (the "**Standard Russian Allocation**");

2. If, immediately after giving effect to a Russian Investment, on a pro forma basis, the aggregate fair market value of all Russian Investments maintained by the KM Master Fund will exceed either (or both) MF Russian Exposure Limit(s), then in accordance with the Standard Russian Allocation until the KM Master Fund reaches either MF Russian Exposure Limit, and then one hundred percent (100%) to the Russia Fund; and
3. If, at the time of a Russian Investment, the KM Master Fund's aggregate exposure to Russian Investments equals or exceeds either MF Russian Exposure Limits, one hundred percent (100%) to the Russia Fund.

We will determine the Standard Russian Allocation between the KM Master Fund and the Russia Fund based on (i) the estimated net asset value of each of the KM Master Fund and the Russia Fund and (ii) the MF Russian Exposure Limits, in each case, as of the close of business on the business day immediately prior to the date of a trading decision.

Additionally, when we have an investment opportunity in SE or its affiliates and related businesses (each such investment opportunity being referred to herein as a "**Sea Limited Investment**" and collectively as "**Sea Limited Investments**"), and we determine that such Sea Limited Investment is suitable for both the KM Master Fund and the KHI Fund, such Sea Limited Investment shall be allocated as follows:

1. If, immediately after giving effect to a Sea Limited Investment, on a *pro forma* basis, the aggregate fair market value of all Sea Limited Investments maintained by the KM Master Fund will not exceed ten percent (10%) of the KM Master Fund's net asset value, then *pro rata* between the KM Master Fund and the KHI Fund based on the net asset value of each of the KM Master Fund's and the KHI Fund's ownership of Sea Limited Investments immediately prior to such Sea Limited Investment (the "**Standard Sea Limited Allocation**");
2. If, immediately after giving effect to a Sea Limited Investment, on a *pro forma* basis, the aggregate fair market value of all Sea Limited Investments maintained by the KM Master Fund will exceed ten percent (10%) of the KM Master Fund's net asset value, then in accordance with the Standard Sea Limited Allocation until the aggregate fair market value of all Sea Limited Investments maintained by the KM Master Fund reaches ten percent (10%) of the KM Master Fund's net asset value, and then one hundred percent (100%) to the KHI Fund; and

3. If, at the time of a Sea Limited Investment, the aggregate fair market value of all Sea Limited Investments maintained by the KM Master Fund exceeds ten percent (10%) of the KM Master Fund's net asset value, then one hundred percent (100%) to the KHI Fund.

We will determine the Standard Sea Limited Allocation between the KM Master Fund and the KHI Fund based on the estimated net asset value of each of the KM Master Fund's and the KHI Fund's ownership of Sea Limited Investments as of the close of business on the business day immediately prior to the date of any allocation.

Notwithstanding the foregoing, Russian Investments and/or Sea Limited Investments may be allocated in a manner other than the Standard Russian Allocation and/or the Standard Sea Limited Allocation, as applicable, based on a variety of considerations (each, a “**Non-Standard Allocation Consideration**”), including, without limitation, investment objectives, strategies, guidelines, existing portfolio composition and cash levels, as well as legal, tax and regulatory suitability. Additionally, in order to limit the portfolio management burden arising from a significant number of small positions in any of the KM Master Fund's, the Russia Fund's or the KHI Fund's accounts, any purchase of a Russian Investment or a Sea Limited Investment in which the position size (giving effect to the trade) is below an amount equal to 20 basis points of the estimated net asset value of the KM Master Fund (at the close of business on the immediately preceding business day) (the “**de Minimis Threshold**”) can, at the discretion of the portfolio manager or trader when a trade is executed, be allocated entirely to either the KM Master Fund, on the one hand, or the Russia Fund or the KHI Fund, as applicable, on the other hand.

When we determine to sell the same Russian Investment held by the KM Master Fund and the Russia Fund, as a general matter, such dispositions will be allocated pro rata based on the relative size of such investment held by the KM Master Fund and the Russia Fund (the “**Standard Russian Disposition Allocation**”). We may determine, based on a variety of considerations, including the Non-Standard Allocation Considerations, to dispose of the same Russian Investment held by both the KM Master Fund and the Russia Fund in a manner other than pursuant to the Standard Russian Disposition Allocation.

When we determine to sell the same Sea Limited Investment held by the KM Master Fund and the KHI Fund, as a general matter, such dispositions shall be allocated as follows:

1. If, at the time of disposition of a Sea Limited Investment, the aggregate fair market value of all Sea Limited Investments maintained by the KM Master Fund exceeds ten percent (10%) of the KM Master Fund's net asset value, then one hundred percent (100%) to the KM Master Fund until the aggregate fair market value of all Sea Limited Investments maintained by the KM Master Fund reaches ten percent (10%) of the KM Master Fund's net asset value, and then *pro rata* between the KM Master Fund and the KHI Fund based on the net asset value of each of the KM Master Fund's and the KHI Fund's ownership of Sea Limited Investments immediately prior to such disposition of the Sea Limited Investment (the “**Standard Sea Limited Disposition Allocation**”); and
2. If, at the time of disposition of a Sea Limited Investment, the aggregate fair market value of all Sea Limited Investments maintained by the KM Master Fund is less than ten percent

(10%) of the KM Master Fund's net asset value, then *pro rata* between the KM Master Fund and the KHI Fund in accordance with the Standard Sea Limited Disposition Allocation.

We may determine, based on a variety of considerations, including the Non-Standard Allocation Considerations, to dispose of the same Sea Limited Investment held by both the KM Master Fund and the KHI Fund in a manner other than pursuant to the Standard Sea Limited Disposition Allocation.

Additionally, any sale in which the position size (giving effect to the trade) is reduced to \$0 from a position size prior to the trade equal to or less than the de Minimis Threshold can, at the discretion of the portfolio manager or trader when a trade is executed, be allocated entirely to either the KM Master Fund, on the one hand, or the Russia Fund or the KHI Fund, as applicable, on the other hand.

A copy of our current Allocation Policy is available upon request to existing or potential Client Accounts (or existing or potential underlying investors in Client Accounts).

E. Outside Business Activities

Employees are prohibited from engaging in outside activities without the prior written approval of our Chief Compliance Officer. Approval will be granted on a case-by-case basis, subject to careful consideration of potential conflicts of interest, disclosure obligations, and any other relevant regulatory issues.

ITEM 12

BROKERAGE PRACTICES

Pursuant to each client's investment advisory agreement, or other similar agreement, we are generally authorized to select the broker or dealer to effect transactions on behalf of our clients. However, our selection of the broker or dealer may be tailored to a particular client's investment guidelines or restrictions, where appropriate.

A. Selection of Broker-Dealers and Reasonableness of Compensation

As part of our fiduciary duty to clients, we have an obligation to seek the best price and execution of client transactions. While not defined by statute or regulation, "best execution" generally means the execution of client trades at the best net price considering all relevant circumstances. We will seek best execution with respect to all types of client transactions, including equities, options, foreign currency exchange, and any other types of transactions that may be made on behalf of a client. We will conduct the following types of reviews to evaluate the qualitative and quantitative factors that influence execution quality:

- Initial and periodic reviews of individual broker-dealers;
- Contemporaneous reviews by our Chief Compliance Officer; and
- Quarterly best execution reviews.

Before we begin trading with a broker-dealer we will review, as applicable, the broker-dealer's operational, financial, and regulatory status. We may also perform periodic reviews of broker-dealers, which will vary in frequency and intensity based on the perceived counterparty exposure to us and our clients.

As part of normal functions, the investment and operations personnel will consider the execution quality of each trade.

We have a Broker & Research Allocation Committee. The committee is made up of our Principals and any other employee(s) appointed by the Principals from time to time. The purpose of the committee is to ensure that we obtain the appropriate amount of sales coverage and research perspective from our executing brokers and research providers. The committee also analyzes the commission dollars paid to brokers and ensures that there are no execution or trading issues that need to be highlighted.

1. Research and Other Soft Dollar Arrangements

Our policy is to limit the use of "soft dollars" to obtain services that constitute research and brokerage services within the meaning of Section 28(e) of the Securities Exchange Act of 1934, as amended ("Section 28(e)"). Section 28(e) provides a "safe harbor" to investment managers that use commission dollars of their advised accounts to obtain investment research and brokerage services that provide lawful and appropriate assistance to the investment manager in performing investment decision-making responsibilities.

Any new arrangements with broker-dealers regarding soft dollars must be approved in advance by our Chief Compliance Officer. The terms of any such arrangement must be documented in a written agreement that is executed by us and the broker-dealer. Further, we will disclose our soft dollar practices to clients in the applicable investment advisory agreement or other applicable agreements or offering documents.

We have not entered into written soft dollar arrangements as of the date of this brochure. We will attempt to negotiate the lowest available commission rates commensurate with the assurance of reliable, high quality brokerage services; however, we may select brokers that charge a higher commission or fee than another broker would have charged for effecting the same transaction; provided, that the selection of a broker will be made on the basis of best execution, taking into consideration various factors, including commission rates, reliability, financial responsibility, strength of the broker and the ability of the broker to efficiently execute transactions, the broker's facilities, and the broker's provision or payment of the costs of research and other services or property that are of benefit to us or clients to which we provide investment services; provided, further, that we may be influenced in our selection of brokers by their provision of other services, including, without limitation, capital introduction, marketing assistance, consulting with respect to technology, operations, equipment and office space, and other services or items. Such execution services, research, investment opportunities or other services may be deemed to be soft dollars. As noted above, however, we have not entered into written soft dollar arrangements. We do not generate soft dollar credits that may be applied to goods or services through the trading or other activities of clients.

The provision by a broker of research and other services and property to us creates an incentive for us to select such broker since we would not have to pay for such research and other services and property as opposed to solely seeking the most favorable execution for a client. Any research, services or property provided by a broker may benefit any client and such benefits may not be proportionate to commission dollars related to the provision of such research, services or property.

2. Brokerage for Client Referrals

We have adopted certain policies and procedures to ensure that we meet our best execution obligations in selecting or recommending broker-dealers. These procedures include quarterly best execution reviews, in which our Broker & Research Allocation Committee addresses numerous factors, including client referrals and other conflicts of interest that may influence, or may appear to influence, our direction of brokerage.

3. Directed Brokerage

"Directed brokerage" refers to instances in which a client retains the discretion to choose brokers and instructs us to direct portfolio transactions to a particular broker-dealer. We do not permit any directed brokerage arrangements.

B. Aggregating Orders for Various Clients

In managing the portfolios of our Client Accounts, we generally will aggregate trades when two or more Client Accounts are capable of purchasing or selling a particular security or instrument based on investment objectives, available cash and other factors in accordance with our Trade Aggregation Policy (the “**Trade Aggregation Policy**”), as such **Trade Aggregation Policy** is in effect at such time. The Trade Aggregation Policy provides that each Client Account that participates in an aggregated order will participate at the same executed price for our transaction in that instrument, with transaction costs shared pro rata based on each Client Account’s participation in the transaction. Although we anticipate that aggregating trades of our Client Accounts will overall benefit the participating Clients Accounts, aggregating orders may disadvantage a Client Account.

When a Client Account trades in the same security or other instrument that cannot be aggregated into a single order, our Portfolio Manager and/or traders will direct the trades to the market in a way that seeks to best achieve equivalent treatment. Our Operations team will review the execution prices for such trades for material deviations in pricing and are instructed to bring any such deviations to the attention of our Chief Compliance Officer.

C. Trade Errors

We attempt to minimize trade errors by promptly reconciling confirmations with trade tickets, and by reviewing past trade errors to understand the internal control breakdown that caused the errors.

If we make an error while placing a trade for a client, we will seek to correct the error promptly in a way that mitigates any losses. As disclosed in the Funds’ offering documents, the cost of errors in the Funds’ accounts will be borne by the Funds unless an error is the result of bad faith, gross negligence, or willful misconduct by us. Nonetheless, errors in a Fund’s account must be reported to our Chief Compliance Officer and reviewed to identify any appropriate changes to our policies or procedures.

Our Chief Compliance Officer will work with our Portfolio Manager to resolve any trade errors. Our Chief Compliance Officer will maintain a trade error file that contains all documentation necessary to substantiate the actions taken to resolve each error.

ITEM 13
REVIEW OF ACCOUNTS

A. Review of Client Accounts

Our Portfolio Manager reviews Client Accounts at least once per week to monitor security concentration, holding period, exposure, position sizing, drawdowns, liquidity, beta, and leverage, among other things.

B. Contents and Frequency of Account Reports to Clients

Investors in the Funds typically receive the following written reports: (i) annual audited financial reports, and (ii) monthly performance reports, which may be unaudited.

Upon request, certain investors may receive additional information and reporting that other investors may not receive, and such information may affect an investor's decision to request a withdrawal or redemption from its account.

ITEM 14
CLIENT REFERRALS AND OTHER COMPENSATION

A. Economic Benefits for Providing Services to Clients

Currently, our only clients are the Funds. We do not receive economic benefits from third parties (other than fees from clients) for providing investment advice or other advisory services to the Funds.

B. Compensation to Non-Supervised Persons for Client Referrals

As of the date of this brochure, we do not have any arrangement with a third party whereby we directly or indirectly compensate such person for client or investor referrals. Prior to entering into any such arrangements, we will develop a procedure to address the risks associated therewith.

ITEM 15 CUSTODY

Rule 206(4)-2 of the Advisers Act (the “**Custody Rule**”) imposes specific conditions on investment advisers who have actual or deemed custody of client assets. As an investment adviser to clients, we may be deemed to have custody in instances where we have actual possession or the authority to obtain possession of the assets of our clients, and therefore we must meet the applicable conditions of the Custody Rule.

We are required to maintain the funds and securities (except for securities that meet the privately offered securities exemption in the Custody Rule) over which we have custody with a “qualified custodian.” Qualified custodians include banks, brokers, futures commission merchants and certain foreign financial institutions.

Rule 206(4)-2 imposes on advisers with custody of clients' funds or securities certain requirements concerning reports to such clients (including underlying investors) and surprise examinations relating to such clients' funds or securities. However, an adviser need not comply with such requirements with respect to pooled investment vehicles if each pooled investment vehicle: (i) is audited at least annually by an independent public accountant, and (ii) distributes its audited financial statements prepared in accordance with generally accepted accounting principles to their investors, all limited partners, members or other beneficial owners within 120 days (180 days in the applicable case of a fund of fund adviser) of its fiscal year-end.

We are deemed to have custody of the Funds' assets because of the authority that we have over those assets. Our Operations team is responsible for overseeing the audits of the Funds as well as the distribution of the audited financial statements to all investors within 120 days of the Funds' fiscal year-ends.

ITEM 16

INVESTMENT DISCRETION

At the outset of an advisory relationship, we generally receive discretionary authority from a client to select the identity and amount of securities to be purchased and sold by the client. For example, we have investment discretion to manage securities accounts on behalf of the Funds. In all cases, we exercise this investment discretion in a manner consistent with the stated investment objectives of the particular client, which are contained in the applicable offering documents and/or investment advisory agreement.

When selecting securities and assessing potential investments, we observe the investment policies, limitations and restrictions of the clients we advise, as stated in the applicable investment advisory agreement or other applicable agreements or offering documents. In very limited circumstances, our clients may place limitations on our investment authority, including, without limitation, designating types of permitted investments, prohibiting certain types of investments or imposing certain limitations with respect to the value of certain trades placed on their behalf.

For a complete discussion of our advisory business and the services we provide to our clients, see Item 4 – “Advisory Business.”

ITEM 17

VOTING CLIENT SECURITIES

We have, and in the future will continue to accept, the authority to vote our clients' securities. As such, we have adopted policies and corresponding procedures to comply with Rule 206(4)-6 of the Advisers Act and with our fiduciary obligations (such policies and procedures, the **"Proxy Voting Policies"**).

We are committed to voting proxies in a manner consistent with the best interests of our clients. We may vote proxies on behalf of our clients and our policy is to do so in the interest of maximizing shareholder value. To that end, we will vote in a way that we believe is consistent with our fiduciary duty, and that will cause the relevant position to increase the most or decline the least in value. We consider both the short and long term implications of the relevant proposal in determining how to vote.

We have not identified any conflicts of interest between our clients' interests and our own within the proxy voting process. Nevertheless, if we determine that a material conflict of interest exists in voting a proxy, the appropriate persons will meet and decide how to resolve the situation. We may, on occasion, determine to abstain from voting a proxy or a specific proxy item when we conclude that the potential benefit of voting is significantly outweighed by the costs of such vote.

We will provide a copy of our Proxy Voting Policies, free of charge, to any client or investor and prospective client or prospective investor upon request. Our Proxy Voting Policies may be requested by contacting our Chief Compliance Officer, Eugenie Kim, at (212) 257-5670 or eugenie@koracap.com. As a matter of policy, we do not disclose how we expect to vote on upcoming proxies. Additionally, we do not disclose the way we voted proxies to unaffiliated third parties without a legitimate need to know such information.

ITEM 18
FINANCIAL INFORMATION

A. Balance Sheet

We are not required to attach a balance sheet because we do not require or solicit the payment of fees six months or more in advance.

B. Contractual Commitments to Our Clients

We have no financial condition that is reasonably likely to impair our ability to meet contractual and fiduciary commitments to our clients.

C. Bankruptcy Petitions

We have not been the subject of a bankruptcy petition at any time during the past ten years.