

**ITEM 1 – COVER PAGE**

**Tradepost LLC**

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**March 4, 2020**

Form ADV, Part 2; the "Disclosure Brochure" or "Brochure" provides information about the qualifications and business practices of Tradepost LLC ("Tradepost").

If you have any questions about the contents of this brochure, please contact us at (614) 246-2400. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Tradepost is registered with the SEC as an investment adviser. Tradepost's registration as an investment adviser does not imply any level of skill or training.

Additional information about Tradepost will also be available at the SEC's website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) (click on the link "Investment Adviser Search", select "Investment Adviser Firm" and type in our firm name "Tradepost"). The search results will provide you with both Parts 1 and 2A of our Form ADV.

## ITEM 2 – MATERIAL CHANGES

This brochure dated March 4, 2020 is prepared according to the SEC's requirements and rules released on July 28, 2010. There are no material changes to this Form ADV Part 2A since the last annual update on March 28, 2019.

Pursuant to SEC rules, we will ensure that clients receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our business's fiscal year. We may further provide other ongoing disclosure information about material changes or new information, as necessary, at any time, and free of charge.

You may obtain a copy of our brochure by contacting Eric B. Phipps, Chief Compliance Officer, by phone at 614-750-1138, or by email at [ephapps@tradepostpartners.com](mailto:ephapps@tradepostpartners.com). Additional information about Tradepost is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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## **ITEM 4 – ADVISORY BUSINESS**

Tradepost LLC ("Tradepost") was formed in August 2017 and is a Delaware limited liability company. Tradepost intends to provide investment advisory services to private investment vehicles and separate accounts, and any parallel or alternative investment vehicles (each an "Advisory Client" and collectively, the "Advisory Clients"). The primary investment objective of the Advisory Clients is to make investments relating to public companies, private companies, or related investments. James T. Merkel and Jordan B. Hansell serve as members of the firm's Board of Managers, who manage the affairs of the firm and, along with Rockbridge Holdings, LLC, are the sole owners of the firm. An affiliate of Tradepost will serve as the general partner, managing member or manager, as applicable, of each Advisory Client (each, a "Manager").

### **Description of Advisory Services.**

Tradepost intends to serve as the investment adviser to each of the Advisory Clients as set forth in the management, partnership, and limited liability company agreements, as applicable (collectively, the "Advisory Agreements"). Under the Advisory Agreements, Tradepost will principally:

1. Identify and recommend investment opportunities for the Advisory Clients;
2. Structure, monitor, and evaluate each Advisory Client's investments;
3. Make recommendations to the Managers of the Advisory Clients regarding the acquisition or disposition of investments; and
4. Provide other related services.

The Tradepost-advised Advisory Clients generally target debt and equity investments in public and private companies. Tradepost intends to provide each Advisory Client with advice regarding only these types of investments.

Tradepost will base its advice to the Advisory Clients on the investment strategy of each Advisory Client and not on the individual needs of the investors in such Advisory Client. Investment advice will be provided directly to the Advisory Clients and the Managers and not individually to the Advisory Client's investors. Because each Manager is a Tradepost affiliate and has the discretion to make investment decisions on behalf of the Advisory Clients, Tradepost is considered to manage all of these assets on a discretionary basis.

### **Client Assets Managed by Tradepost.**

Tradepost does not currently have any assets under management.

This brochure discloses conflicts of interest and provides summaries of a number of Tradepost policies and procedures designed to detect and address these conflicts and others. In addition, conflicts of interest, specific risks, and investment limitations may be identified in the offering materials of the Advisory Clients. Please request a copy of the Advisory Clients' most current offering materials for a description of other conflicts and risks that might exist, and the relevant investment limitations.

## **ITEM 5 – FEES AND COMPENSATION**

For services provided to an Advisory Client, such Advisory Client will pay Tradepost a Management Fee (as defined below, but generally, a percentage of committed or invested capital) and a performance-based compensation fee (e.g., a percentage of the net profits from divestment or other monetization of portfolio holdings after capital is returned and the preferred return), as set forth in Item 6 below. Tradepost may be paid fees directly from portfolio companies, including without limitation, break-up fees, strategic advisory fees, commitment fees, monitoring fees, and similar fees.

### **Management Fee**

Under the Advisory Agreements, each Advisory Client will pay Tradepost a management fee as compensation for Tradepost's services ("Management Fee"). The Management Fee will be payable less than six months in advance and typically paid directly from such Advisory Client to Tradepost. On each Management Fee payment date for an Advisory Client, the Manager will initiate a payment from each Advisory Client's account to Tradepost. The Management Fee will initially be based on a percentage (generally 2.0% or less) of committed or called capital for the Advisory Client. The Management Fee is generally non-negotiable though it may be reduced in certain cases with respect to certain investors that have made large or early commitments to the Advisory Client. If an Advisory Client terminates other than at the end of a Management Fee payment period, Tradepost will repay to such Advisory Client any prepaid Management Fees in respect of the days remaining in the current Management Fee payment period.

In certain cases, a Management Fee may be reduced or offset because Tradepost has received certain fees as described in the Advisory Client's governing documents or because the Advisory Client has incurred organizational expenses above a predetermined cap. To the extent such reduction or offset exceeds the applicable Management Fee payable in any Management Fee payment period, such excess shall be carried forward to reduce the applicable Management Fee payable in succeeding Management Fee payment periods. The Advisory Clients do not pay Management Fees to Tradepost with respect to investments made by certain investors in the Advisory Clients (generally limited to employees, former employees and members of Tradepost, their family members and related persons (as that term is defined in the Form ADV Glossary of Terms)). The private placement memorandum ("PPM") (if applicable), Advisory Agreements, and related documents for the Advisory Client include further details on fees, expenses, and other compensation related matters, which may include such fees as described below.

### **Strategic Advisory Fees, Break-Up Fees, Commitment Fees, and Monitoring Fees.**

Tradepost may receive break-up and similar fees with respect to potential investments that are not ultimately consummated, strategic advisory fees with respect to the strategies, methods, build-ups, financings, acquisitions, and dispositions of portfolio companies that are consummated, commitment and similar fees relating to financings for portfolio companies that are consummated or not ultimately completed, and monitoring fees in connection with the services of Tradepost's members and employees serving as directors or advisors to portfolio companies. The methodology used in determining these fees is disclosed in the governing documents, offering materials and related documents for the relevant Advisory Client.

Tradepost may determine these fees on a transaction-by-transaction basis taking into consideration the size, time and resource commitment, strategies, demands, and complexity of each transaction and portfolio company. These fees, if any, will vary and be negotiated with portfolio companies and are not determined by formula or as commissions. If paid, these fees will be paid directly to Tradepost by each Advisory Client's portfolio companies (or potential portfolio companies). The total amount of these fees will be disclosed to investors in such Advisory Client's annual reports.

The receipt of fees based on strategic advisory advice for an Advisory Client's portfolio investments may create an incentive to acquire or divest portfolio investments, or engage in transactions, under circumstances that may not be in the best interest of an Advisory Client or its investors. However, the investment by Tradepost's affiliates into such Advisory Client and the substantially shared nature of these fees with investors aligns Tradepost's interests with those of the investors in such Advisory Client. Nonetheless, if Tradepost determines that a conflict exists, or may be perceived to exist, Tradepost may bring the issue to the attention of the relevant Advisory Client's board of advisors (or similar group or committee) for its approval.

Break-up fees may be payable upon the failure of a transaction to conclude; commitment fees may be payable with respect to financing commitments to portfolio companies; strategic advisory fees may be payable in connection with strategic transactions or engagements involving portfolio companies; and monitoring fees may be payable on terms set out in agreements between Tradepost and applicable portfolio companies related to the business and financial advisory services that Tradepost intends to provide to the portfolio companies. The methodology used in determining these fees may be disclosed in the governing documents, offering materials and related documents for the relevant Advisory Client.

Monitoring fees may be payable on terms set out in agreements between Tradepost and portfolio companies related to the business and financial advisory services that Tradepost provides to portfolio companies. The methodology used in determining these fees may be disclosed in the governing documents, offering materials and related documents for the relevant Advisory Client.

The Management Fee may be reduced by a portion of any break-up fees, strategic advisory fees, commitment fees and monitoring fees received by the Manager. The amount of this reduction and/or fee distribution may differ from vehicle to vehicle. The methodology of the Management Fee offset, if any, will be disclosed in the governing documents, offering materials and related documents for the relevant Advisory Client. The total amount of these Management Fee offsets may also be disclosed to investors in the annual report of such Advisory Client.

### **Additional Fees and Expenses.**

In general, in addition to the applicable Management Fee and performance-based fees (see Item 6 below), investors in each Advisory Client will bear all costs and expenses relating to such Advisory Client's activities, investments and business directly, indirectly or on an allocated basis (without duplication) including, without limitation, costs, fees, and expenses for or relating to: legal services, compliance with applicable laws and regulations, reporting, auditing, consulting, risk management, compliance, custodial, administrative, brokerage (see Item 12 below), banking,

valuation, book-keeping and accounting (including the preparation and distribution of financial statements, tax filings and Schedule K-1s); borrowings (including principal and interest), financings or derivative transactions such as interest rate protection agreements (e.g., caps and swaps); meetings of the board of advisors (or similar group or committee) or the investors; transactions not consummated; travel and entertainment (including private air travel); any strategic advisors, operating executives, operating partners, subject matter experts or other experts who provide services to an Advisory Client and/or its investments (including with respect to potential investments) related to, among other things: (i) conducting due diligence or analysis on industry, geopolitical or other operational issues, and (ii) operational improvement initiatives, and developing and implementing such initiatives; the organization of entities through or in which investments may be made; insurance (including policies that provide coverage to each Advisory Client or its investments and any indemnified persons against liabilities to third parties in connection with such Advisory Client's activities); conferences; market data, research, periodicals, and software; advertisements and other marketing materials related to the Advisory Clients, Tradepost or any of their affiliates; any amendment, waiver or variation of the governing documents related to the Advisory Clients; complying with "know your customer" or anti-money laundering laws, FATCA or similar laws; registration and compliance (if applicable) under the AIFMD or other regulatory regime; regulatory and compliance of the Advisory Clients and/or Tradepost; non-recurring or extraordinary matters (such as litigation, threatened litigation, indemnification and advancement payments, or government, commission or authority inquiry, proceeding, audit or action involving the Advisory Clients, and any losses related thereto); dissolving and terminating the Advisory Clients, the Managers and/or any other Advisory Client-related entities; and other items associated with the acquisition, holding and disposition of each Advisory Client's investments or potential investments. This list is not intended to be exhaustive. Any fees and expenses payable by each Advisory Client are typically paid from such Advisory Client's account(s).

Tradepost may also receive from each Advisory Client other fees (at rates approved by the Board of Managers (or similar group or committee) of such Advisory Client, as is described further in such Advisory Client's governing documents) associated with related party services or other business arrangements in connection with or related to such Advisory Client's investments including, without limitation: legal fees, tax and accounting fees, servicing fees, origination fees, debt placement fees, media/advertising fees, and other fees and reimbursements for costs or expenses incurred or for services rendered. In certain cases, the Management Fee paid by investors in the applicable Advisory Client may be reduced by Tradepost's receipt of such fees. Investors in each Advisory Client are advised to review such Advisory Client's offering materials and governing documents for additional information related to the fees and expenses associated with an investment in such Advisory Client.

## **ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

As noted in Item 5 above, Advisory Clients may pay Tradepost's affiliates certain performance-based fees in the form of carried interest ("Carried Interest") —typically 20% of the net proceeds from the divestment of an Advisory Client holding after the return of capital, allocable fees and expenses and a preferred return thereon. The receipt of performance-based fees is subject to certain limitations set forth in the constituent documents of each Advisory Client, which generally require that investors must first receive a return of invested capital and allocable fees

and expenses plus a preferred return before carried interest is paid to Tradepost affiliates. Investors who invest in an Advisory Client through Tradepost's affiliated general partners to the Advisory Client do not pay performance-based fees in the form of carried interest. All performance-based income is calculated and paid in accordance with Section 205 and Rule 205-3 under the Investment Advisers Act of 1940.

The existence of Carried Interest distributions may create an incentive for a Manager to make more speculative investments on behalf of an Advisory Client than it would otherwise make in the absence of such performance-based compensation. However, any such incentive is mitigated by the significant investments by Tradepost affiliates, members and/or key employees in an Advisory Client, and the fact that the Advisory Client's Preferred Return is calculated across the Advisory Client's total capital. Further, Tradepost manages each Advisory Client in accordance with the investment strategy disclosed in such Advisory Client's offering materials or governing documents to help communicate to investors the investment strategy and the risks associated with the strategy. Generally, the PPM or other governing documents of each Advisory Client contain further details regarding the performance-based compensation, risk and strategy.

Prospective investors in each Advisory Client are advised to review applicable offering materials and governing documents for a more extensive description of the performance-based fees and Carried Interest return obligations associated with an investment in such Advisory Client.

## **ITEM 7 – TYPES OF CLIENTS**

Tradepost advises only the Advisory Clients. Each Advisory Client's investors may consist of:

- Individuals;
- Banks and other financial institutions;
- Insurance companies;
- Investment companies;
- Public and private pension plans;
- Trusts and estates;
- Corporations;
- Foundations and endowments; and
- Business entities other than those listed above.

All investors are subject to applicable suitability requirements. Each Manager requires that each investor be an "accredited investor" as defined in Regulation D under the U.S. Securities Act of 1933 and a "qualified client" as defined in the Advisers Act.



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

### **Investment Strategies.**

Tradepost may engage in a number of different transactions employing various strategies. Tradepost may partner with portfolio company management teams seeking to become, or continue as, owners of a business through a traditional leveraged buyout. Tradepost may work with private company owners seeking liquidity to buy out non-active partners or to recapitalize their company's balance sheet while continuing to own and manage the business. Upon the identification of highly fragmented and profitable industries, Tradepost may seek to work with portfolio company management teams to acquire platform companies, or to create de novo enterprises, upon which to build through strategic acquisitions of other companies or assets. Tradepost may invest in opportunities where equity capital and/or new management would be a catalyst to revitalize companies believed to have underperformed due to balance sheet issues. Tradepost will generally seek to acquire companies that may be undervalued in partnership with management at reasonable valuations and to support these investments with a hands-on, value-added operational strategy.

Tradepost intends to pursue control positions in target investments in public and private companies where Tradepost has identified an opportunity to improve the strategic clarity, enhance operations, or improve the capital structure of the target investment. Tradepost may pursue non-control positions in target investments in public companies with the investment characteristics listed immediately above that, due to the required size or complexity of the investment, prohibit the pursuit of a control position.

Tradepost intends to identify control position investments through leveraging the personal relationships of the members and analysis of the publicly available lists of companies in, but not limited to, the consumer, financial, aviation, manufacturing, industrial, services, and software industries. Tradepost intends to identify non-control position investments through ongoing research of public equities, market and sub-market dynamics.

Tradepost assigns primary responsibility for evaluation of a potential investment to a team of investment professionals. Once a potential investment has been identified, the transaction team may examine the target investment's underlying operations, finances, management, industry and market sector, including financial and economic assessments. When the transaction team proposes to enter into a binding agreement to invest in a transaction, it prepares a detailed package for Tradepost's Board of Managers, which meets as needed. Each acquisition and disposition is analyzed on a case-by-case basis. When considering a potential investment, the Board of Managers will meet to analyze the merits of the transaction and determine whether to authorize the investment.

Each Advisory Client's PPM or other governing documents contain additional information about such Advisory Client's investment strategies.

## **Risk of Loss.**

An investment in an Advisory Client entails a significant degree of risk and therefore should be undertaken only by investors capable of (i) evaluating the risks of such Advisory Client and (ii) bearing the risks such investments represent. Set forth below is a non-exhaustive list of such risks:

1. No established market for certain potential investments may exist;
2. Illiquidity of investments by the Advisory Clients;
3. Changes in legal, fiscal, and regulatory regimes;
4. Nature of debt or equity investments;
5. Litigation risks;
6. Dependence on Tradepost's key personnel;
7. Investment environment and market volatility risk;
8. Limited or no control over day-to-day management of certain investments;
9. Use of asset-level and investment vehicle-level leverage;
10. Restrictions on transfer;
11. Potential conflicts of interest involving Tradepost and its affiliates, the Advisory Client, and/or other investment vehicles managed or otherwise under the control of Tradepost or its affiliates;
12. Risk of cybersecurity related issues at Tradepost's corporate office or in connection with the investments made by the Advisory Client; and
13. Risk of loss of entire investment.

Tradepost or its affiliates may from time to time come into the possession of material non-public information regarding a company in the course of pursuing a transaction on behalf of an Advisory Client. Under the federal securities laws, Tradepost or its affiliates may be prohibited from acting on that information under certain circumstances. Accordingly, an Advisory Client may be prohibited from purchasing interests in the company, or may be required to continue to hold interests already held, for the period in which we remain in possession of material non-public information.

Tradepost cannot guarantee any level of performance or that investors in the Advisory Clients will not experience a loss of their investments. Performance of any investment is not guaranteed and may be impacted by global or domestic economic events. There is no assurance that the Advisory Clients will be able to generate returns or that the returns will be commensurate with the risks inherent with their investment strategy. The marketability and value of any such investment will depend upon many factors beyond the control of Tradepost or the Advisory Clients. The expenses of the Advisory Clients may exceed their income, and an investor could lose the entire amount of its contributed capital. Therefore, an investor should invest in an Advisory Client only if the investor can withstand a total loss of its investment. The past

investment performance of an Advisory Clients cannot be taken to guarantee future results of the Advisory Clients or any investment in the Advisory Clients or future vehicles.

## **ITEM 9 – DISCIPLINARY INFORMATION**

Neither Tradepost nor any of its employees have any legal, financial or other "disciplinary" items to report that would be material to an existing or prospective investor's evaluation of Tradepost's advisory business or to the integrity of Tradepost's management. As a registered investment adviser, Tradepost is obligated to disclose any disciplinary event that would be material to the client or investor when evaluating a client or investor/adviser relationship.

On occasion, in the ordinary course of its business, Tradepost or certain of its affiliates are named as a defendant in a lawsuit or arbitration. Tradepost is not a party to any current litigation.

## **ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### **Other Financial Industry Activities.**

Conflicts of interest exist between Tradepost advisory activities and Tradepost's, or their affiliates', non-advisory activities. The below description summarizes some of such conflicts, but is not intended to be an all-encompassing list of such conflicts. Prospective investors in an Advisory Client should review that Advisory Client's offering documents for an extensive description of the risks associated with investing in that Advisory Client.

Management and Investment Activities. Tradepost, through the Advisory Agreements, is engaged in the management of the Advisory Clients and intends to continue to act in the capacity of investment adviser to the Advisory Clients. Tradepost or its affiliates may, under certain circumstances, form a new investment vehicle in the future for which Tradepost may serve as the investment adviser. Additionally, Tradepost's affiliates may form one or more other funds or investment entities that may make investments that may be similar to or distinct from the investment philosophy of an existing Advisory Client. Subject to agreed upon restrictions in the Advisory Clients' governing documents, conflicts may arise among the Managers, Tradepost, and their affiliates in connection with investment decisions being made for or on behalf of the Advisory Clients.

Tradepost Personnel Allocation. Tradepost personnel will devote all business time as is necessary to manage the affairs of the Advisory Clients in an appropriate manner. However, Tradepost personnel will work on other matters and because Tradepost personnel will not devote their full professional time exclusively to the business and affairs of a particular Advisory Client, conflicts may arise in allocating their services among the Advisory Clients and other activities.

Other Fees. Under certain circumstances, Tradepost may also receive other market-rate fees (or fees at rates approved by the Board of Managers (or similar group or committee) of the applicable Advisory Client) associated with related party services in connection with arranging and managing the Advisory Clients' investments including: legal fees, tax and accounting fees, servicing fees, advisory fees, monitoring fees, commitment fees,

break up fees and other fees and expense reimbursements for costs or expenses incurred or services rendered. In certain cases, a Management Fee paid by investors in an Advisory Client may be reduced by any financing, acquisition, closing or similar fee payable to Tradepost or an affiliate.

Activities of Certain Other Tradepost Affiliates. Under some circumstances, personnel or affiliates of Tradepost may be in competition with one or more Advisory Clients. This competition may include, without limitation, competition amongst Advisory Clients managed by Tradepost and its affiliates, subject to the restrictions described in the governing documents of each Advisory Client.

Furthermore, Tradepost personnel or affiliates may also invest in securities for their own accounts or for the accounts of their affiliates, including investing in other investment funds (and such affiliates and other clients may have investment objectives and policies comparable to those of the Advisory Clients and may be in competition with the Advisory Clients). In addition, subject to the restrictions described in the applicable governing documents, the Manager of each Advisory Client, Tradepost or their respective affiliates may cause an Advisory Client to make an investment in any project with respect to which other third-party clients of Tradepost or its affiliates have or had an investment.

Performance Allocations. The existence of the Carried Interest distributions may create an incentive for Tradepost or its affiliates to make more speculative investments on behalf of an Advisory Client than it would otherwise make in the absence of such performance-based compensation, although the commitment by certain Tradepost personnel to invest in certain of the Advisory Clients and the fact that each Advisory Client's Preferred Return is calculated on a cumulative basis should tend to reduce this incentive.

Investor Agreements. Tradepost or its affiliates may enter into "side letters" with investors in the Advisory Clients, which allow for certain additional rights to such investors in the event of business, tax, regulatory or legal circumstances applicable to such investors.

Portfolio Sales. Tradepost may include certain of the Advisory Clients' investments in a portfolio sale with investments from different capital sources, including other investment vehicles or Advisory Clients sponsored or managed by Tradepost or its affiliates in accordance with the policies established by Tradepost. If an Advisory Client's investment is sold as part of a portfolio, conflicts of interest may arise in determining the extent to which the value realized in connection with such transaction should be allocated among the investments in the portfolio. Tradepost will generally include an Advisory Client's investment(s) in a portfolio sale only when the aggregate value of the portfolio sale is expected to realize greater value than would be realized if such investment(s) were sold individually. However, there can be no assurance a portfolio sale will result in a higher realized sale price for each investment for the applicable Advisory Clients.

A more detailed description of applicable conflicts of interests is set forth in the PPM (if applicable) of each Advisory Client.

## **Other Financial Industry Affiliates.**

Rockbridge Capital, LLC (Rockbridge) is an affiliate of Tradepost. Rockbridge is separately registered with the SEC as an investment advisor. Rockbridge generally advises private equity funds (i) on creating an investment portfolio of debt and equity investments relating to U.S. real estate and other assets, principally hotels, in privately negotiated transactions and (ii) on investing in hospitality management companies and related investments in privately negotiated transactions. Rockbridge has certain other affiliations related to its hotel and hotel management investment advisory business that do not conflict with the activities of Tradepost.

## **ITEM 11 – CODE OF ETHICS**

Tradepost has adopted a Compliance Manual (the "Manual") that describes its business philosophy with respect to ethics and details its compliance obligations under the Advisers Act. The Manual includes Tradepost's Code of Ethics. The premise behind the Manual is that Tradepost believes that high ethical standards and integrity are essential for the success of the firm and for investors to maintain confidence in Tradepost. The Manual is designed to ensure that Tradepost meets its obligation to its investors and to instill a culture of compliance within Tradepost. As a result, Tradepost has adopted several policies and procedures covering a wide range of activities, including:

- The prohibition of insider trading
- Managing actual and potential conflicts of interest
- Basic standards of conduct for Tradepost personnel
- Confidentiality
- Advertising
- Record keeping
- Custody rules
- Reporting
- Anti-money laundering
- Limitations on, and reporting of, gifts and entertainment
- Restricted Securities
- Charitable Contributions
- Outside Business Activities

Please see **Item 10 – Other Financial Industry Activities & Affiliations** for more information regarding potential investment related conflicts. An Executive Summary of the Manual is available to clients and prospective clients by contacting Tradepost's Chief Compliance Officer.

## **ITEM 12 – BROKERAGE PRACTICES**

Tradepost, through the Advisory Agreements, has the authority to (i) originate and recommend to the Managers investment opportunities that are consistent with the purposes of the Advisory

Clients, (ii) evaluate, provide investment management services with respect to, and dispose of, investments, and (iii) provide such other services related thereto as the Advisory Clients and the Managers reasonably request. In executing the investment strategy on behalf of the Advisory Clients, Tradepost may select brokers for various functions in the acquisition or disposition of an investment. Furthermore, Tradepost may execute a brokerage transaction for the Advisory Clients, in which case Tradepost selects brokers on behalf of the Advisory Clients on the basis of expertise, experience, cost, location and other factors that Tradepost determines are appropriate. Tradepost typically negotiates the commission rates and expenses, if permitted, associated with the engagement of such brokers.

## **ITEM 13 – REVIEW OF ACCOUNTS**

### **Review of Accounts.**

Tradepost maintains direct supervision of the Advisory Clients' accounts and each of those accounts and the Advisory Clients' investments are monitored on an ongoing basis. Tradepost personnel generally maintain regular and on-going oversight of the investment. Additionally, portfolio company performance is discussed and reviewed informally at regular meetings and among Tradepost investment professionals on a regular basis. The performance and valuation of each investment is formally reviewed on a regular basis with the respective transaction team, which provides the investment team with an opportunity to measure the progress of an individual investment against the forecasted performance and business plan.

### **Reports to Clients.**

Tradepost intends to generally provide investors in each Advisory Client with quarterly and/or annual written reports that generally provide an assessment of the market and a review of such Advisory Client's: (i) investment(s) including realized and projected returns, (ii) investment and disposition activities, (iii) capitalization (including investment vehicle-level leverage), and (iv) other significant activity. Investors will also receive an annual report for each Advisory Client in which they have invested that includes audited financial statements prepared in accordance with generally accepted accounting principles (GAAP) along with a review of the market, a report of the portfolio activities, and a schedule of investments and performance. Certain investors may have specific reporting requirements or request information related to a particular Advisory Client, and to the extent such information may be obtained without unreasonable effort or cost, Tradepost will generally provide such information. As a result, such investors may possess information that is not known to other investors and may be able to make decisions based on such information.

## **ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION**

Tradepost may enter into distribution and or placement agent arrangements with a number of unaffiliated third parties in which Tradepost may agree to pay a third-party solicitor for referring investors into an Advisory Client. If a third-party solicitor is engaged, a prospective investor

solicited by a third party will be informed of (and may be asked to acknowledge in writing its understanding of) any such arrangement. All fees relating to such activities may be ultimately paid/borne by Tradepost and none of the investors in the Advisory Clients will be subject to any increased or additional fees or charges. Third-party solicitors will be registered as broker-dealers with the SEC or the applicable non-US regulatory body to the extent required.

Tradepost may receive certain fees not paid directly by the Advisory Clients, but by the portfolio investment they hold. These fees are paid pursuant to separate agreements Tradepost may enter into with some portfolio companies to provide certain consulting services to the companies that Tradepost believes will ultimately enhance the value of the investment and benefit the Advisory Clients.

## **ITEM 15 – CUSTODY**

Rule 206(4)-2 (the "Custody Rule") under the Advisers Act defines custody as holding client securities or assets or having any authority to obtain possession of them, including the authority to withdraw funds or securities from a client's account or ownership of or access to client funds or securities (such as through fee deductions). Because the Managers (i) have authority to withdraw funds or securities from Advisory Client accounts and (ii) are affiliates of Tradepost, Tradepost is deemed to have custody of the Advisory Clients' assets under the Custody Rule. With the exception of assets that qualify as "privately offered securities" under the Custody Rule, all Advisory Client assets are held in custody by unaffiliated broker/dealers or banks acting as "qualified custodians."

Tradepost has developed procedures that are designed to reasonably ensure the safeguarding and protection of the Advisory Clients' and investors' securities or assets. Such procedures include, among other things, dual signatory requirements for the distribution of capital or issuance of a check, separation of functions, and supervisory review. In addition, in connection with the annual audits performed by public accounting firms, auditors will conduct an internal review that analyzes Tradepost's practices as described in the preceding sentence and confirms compliance with the policies and procedures. On an annual basis, Tradepost will distribute audited financial statements of each Advisory Client to each investor within 120 days of that Advisory Client's fiscal year end (normally December 31).

## **ITEM 16 – INVESTMENT DISCRETION**

Tradepost, through its affiliation with the Managers, maintains the authority to manage the assets of the Advisory Clients on a discretionary basis, subject to the limitations contained in the Advisory Agreements and the Advisory Clients' governing documents.

## **ITEM 17 – VOTING CLIENT SECURITIES (i.e., Proxy Voting)**

### **Proxy Policy.**

Because the Managers decide how to vote the securities of each Advisory Client and because the Managers are affiliated with Tradepost, Tradepost is viewed as having proxy voting authority of the Advisory Clients' securities under Rule 206(4)-6 of the Advisers Act (the "Proxy Voting Rule"). To meet Tradepost's obligations under this rule, Tradepost has adopted written Proxy Voting Policies and Procedures that are contained in the Manual. These policies and procedures are reasonably designed to ensure that the firm votes proxies in the best interest of the Advisory Clients and addresses how Tradepost will resolve any conflict of interest that may arise when voting proxies.

Tradepost's Proxy Voting Policies and Procedures state that when voting Advisory Client proxies, relevant factors include, but are not limited to, the impact on the value of the securities; the anticipated costs and benefits associated with the proposal; the effect on liquidity; and customary industry and business practices. Additionally, the Proxy Voting Policies and Procedures state that Tradepost generally, but not always, votes proxies in accordance with the recommendations of Tradepost's management.

The Chief Compliance Officer is responsible for ensuring that Tradepost provides its clients with (i) a description of the proxy voting policies and procedures and how clients may, upon request, obtain a copy of Tradepost Proxy Voting Policies and Procedures; and (ii) instructions about how clients may obtain information on how Tradepost voted with respect to the Advisory Clients' securities. The Chief Compliance Officer is responsible for responding to requests from investors regarding how Tradepost voted proxies.

Investors may request a copy of Tradepost's Proxy Voting Policies and Procedures and the voting records relating to proxies as provided by the Rule by contacting Tradepost's Chief Compliance Officer.

## **ITEM 18 – FINANCIAL INFORMATION**

Tradepost does not have any financial condition that is reasonably likely to impair its ability to meet its contractual obligations to its clients. Effective as of the date of this filing, Tradepost does not solicit or require payment of fees from its clients six months or more in advance. Tradepost has never filed for bankruptcy.