

This ADV brochure, dated May 11, 2020  
provides information about the qualifications and business practices of:

## **GoldPoint Partners LLC**

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*If you have any questions about the contents of this brochure, please contact us at (212) 601-3600. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about GoldPoint Partners LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

*Registration with the Securities and Exchange Commission does not imply a certain level of skill or training on the part of GoldPoint Partners LLC.*

## **SUMMARY OF MATERIAL CHANGES**

GoldPoint Partners LLC is updating this brochure as part of an other-than-annual amendment to reflect a corporate restructuring involving New York Life Investments Alternatives LLC (“NYLIA”), which has filed with the SEC to apply to become a registered investment adviser. Under the proposed arrangement, NYLIA will utilize an umbrella registration for New York Life Investments’ three alternatives boutiques: Madison Capital Funding LLC, GoldPoint Partners LLC, and Private Advisors, LLC (each a “Boutique”). Under this structure, each Boutique will rely on NYLIA’s SEC investment adviser registration and, therefore, also continue to be a deemed registered investment adviser.

GoldPoint Partners LLC submitted its annual ADV amendment in March 2020.

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#### **Item 4. Advisory Business**

- A. GoldPoint Partners LLC (we) has been registered with the U.S. Securities and Exchange Commission (SEC) as an investment adviser since April 5, 2002 and was formed in 1999. Prior to our formation, our founding principals were employed in the Investment Department of New York Life Insurance Company (New York Life), which at that time was a registered investment adviser. We are currently managed by six managing principals and our chief operating officer, who are supported by a dedicated investment staff of twelve professionals, consisting of three principals, one vice president, two senior associates, and six associates. We are a wholly-owned subsidiary of New York Life Investments Alternatives LLC, a Delaware limited liability company, which is a wholly-owned subsidiary of New York Life through New York Life Investment Management Holdings, LLC (NYLIM), an intermediate subsidiary of New York Life.
- B. Our advisory services include the recommendation of investments for single-investor managed accounts and private investment funds that we manage. Our private investment funds include equity co-investment funds, mezzanine funds, funds-of-funds, insurance dedicated funds, and a credit fund.

Our advisory services also include direct equity investments, direct mezzanine investments and limited partnership investments in private leveraged buyout, distressed, mezzanine and secondary funds for single-investor separately managed accounts.

Our advisory services are limited to the types of investments described above.

- C. Our advisory services are tailored to the individual needs of our clients.

For our single-investor separately managed accounts, our clients access our advisory services by entering into a written investment management agreement with us. These agreements include the investment strategy, terms and limitations on the types of investments we are permitted to make.

For our private investment fund clients, we enter into separate investment management agreements with the fund, or alternatively, the terms, limitations and conditions of our advisory services are set forth in the fund's limited partnership agreement. Each type of fund has its own investment strategy, including express restrictions on the types of investments that we are permitted to make on its behalf.

- D. As of December 31, 2019, we managed approximately \$13.4 billion dollars of assets on a discretionary basis. We manage approximately 215 million dollars in assets on a non-discretionary basis.

#### **Item 5. Fees and Compensation**

- A. The current fee schedule and investment strategy for the separately managed accounts and private investment funds we manage is provided below.
- Separately Managed Accounts. Advisory fees are negotiated for single-investor separately managed accounts, depending upon a variety of factors including the nature and size of the account and services to be provided.

- Our annual management fees range from 0.16% to 0.70% depending on the fees that have been mutually agreed with our clients. These fees are generally payable in arrears, except in limited circumstances where our clients have agreed to pay us in advance.
- Management fees vary by account, which depending on the account are based on:
  - invested capital;
  - invested capital plus remaining capital commitments during the investment period of underlying fund commitments, and following the end of such investment period, invested capital; or
  - the average monthly value.
- We charge performance fees for specific client accounts if specified investment portfolio performance conditions, as detailed in the client investment management agreements, are met. Performance fees are generally subject to achieving a specified rate of return.
- We do not enter into investment advisory agreements having non-negotiable fixed terms. Rather, the contract terms are negotiated separately with each client in an investment management agreement. Fees for the separately managed accounts that we manage for our affiliated clients are set forth in the written investment management agreement between us and the respective client. The client's obligation to pay fees ceases upon the termination of the agreement. Fees paid but not earned by us are returnable to the client.

We do not currently manage separately managed accounts for unaffiliated clients. If we were to manage such accounts for unaffiliated clients, the fees would be subject to negotiation and might be different from the fees described above.

Private Investment Funds. Advisory fees for our private investment funds are set forth in the relevant fund's limited partnership agreement and are generally not negotiable. However, some large investors have entered into separate investment vehicles on more favorable economic terms than the investors in certain of our primary funds. These separate investment vehicles generally invest pro rata on a side-by-side basis with these primary funds based upon the available capital balance of the primary fund and the separate investment vehicle. For certain of our funds, we offer management fee discounts to investors participating in such funds' early closings. Also, with respect to our fourth fund-of-funds, management fees discounts were provided to investors represented by the same consultant provided that the aggregate amount of capital commitments accepted by GoldPoint of such investors met an agreed upon dollar threshold. The management and/or administrative fee schedule for the private investment funds we manage is:

- Equity Co-Investment Funds: An annual fee equal to 1.0% of an investor's capital commitment payable semi-annually in advance during the fund's commitment period; and then an annual fee of 1.0% of an investor's invested capital thereafter payable semi-annually in advance through the end of such fund's term; provided no management fees may be charged to investors following extension of a fund's

term beyond its original term plus the two successive one-year periods in which we are unilaterally permitted to extend its term. Consequently, no management fees are being charged with respect to our first and second co-investment funds because investors approved an extension beyond their original terms plus the two successive one-year periods. The original term of our third and fourth co-investment fund expired, and we exercised our unilateral right to extend the third co-investment fund's term by two successive one-year periods and received investor consent to extend our third and fourth co-investment fund for two years. In accordance with their respective limited partnership agreements, we no longer charge management fees to investors in our third and fourth co-investment funds.

- Mezzanine Funds: For our fifth mezzanine fund, an annual fee equal to 0.75% of an investor's capital commitments plus 0.75% of an investor's actively invested capital payable quarterly in advance during the fund's investment period; and then an annual fee of 1.25% of an investor's invested capital thereafter payable quarterly in advance. Investors admitted at the initial closing, including New York Life, receive a management fee discount for the first twelve months at the rate of 0.50% of an investor's capital commitments plus 0.50% of an investor's actively invested capital, payable quarterly in advance. Investors admitted prior to April 30, 2020 also receive a management fee discount for the first twelve months at the rate of 0.625% of an investor's capital commitments plus 0.625% of an investor's actively invested capital, payable quarterly in advance. For our prior mezzanine funds, an annual fee equal to 1.5% of an investor's capital commitment payable semi-annually in advance during the fund's investment period; and then an annual fee of 0.9% to 1.25% of an investor's invested capital thereafter payable semi-annually in advance. The limited partnership agreements of some of our prior mezzanine funds require management fees to terminate upon the end of the fund's term; however, we have the unilateral right to extend their terms for up to two successive one-year periods and charge management fees during these extended periods.
- Funds-of-Funds: For our fifth fund of funds, for the first seven years of the fund's term an annual fee of 0.75% of an investor's capital commitment payable quarterly in advance; for the eighth year through the tenth year of the fund's term an annual fee of 0.5% of an investor's capital commitment payable quarterly in advance; no management fees will be payable after the tenth year of the fund's term. Discounts on the above rates are provided to investors for the first twelve months of management fees ranging between 12.5% and 50.0% depending on the size of their capital commitment to the fund. Early close discounts of 50% of management fees are provided to investors admitted at the initial closing, and 33% to investors admitted to the fund in 2020. For our prior fund-of-funds, an annual fee equal to 0.50% to 1.0% of an investor's capital commitment payable semi-annually in advance during such fund-of-fund's investment period. These fees are reduced after the third anniversary of each such fund-of-fund's initial closing by 10% each year of an investor's original capital commitment until the ninth anniversary following each such fund-of-fund's initial closing. On the tenth anniversary following our fund-of-fund's initial closing, the management fee will be further reduced with respect to each investor by an additional 5% of such investor's original capital commitment. Management fees will continue to be charged until expiration of each fund-of-fund's term, including during any of the two successive one-year periods in which we extend the fund-of-fund's term. With respect to our

fourth fund-of-funds, management fees discounts were offered to investors represented by the same consultant provided that the aggregate amount of capital commitments accepted by GoldPoint of such investors meets an agreed upon dollar threshold. Investors in our funds-of-funds will also in effect pay management fees with respect to commitments made by our funds-of-funds to underlying funds – see “Material Risks Involved with respect to our Fund-of-Funds” under Section V.B for more information.

- Insurance Dedicated Funds: An annual fee based on the size of an investor’s most recent capital account balance, payable quarterly in arrears is paid to GoldPoint as the funds’ investment subadvisor. Investors pay a management fee ranging from 0.50% to 1.0% depending on the size of their capital account balance. The fee is calculated based on the insurance dedicated funds’ capital commitments to unaffiliated funds and co-investments; no management fee is paid by investors to us with respect to capital commitments made to funds managed or affiliated with us; however, the underlying funds managed or affiliated with us charge a management fee and carried interest to our insurance dedicated funds. Liquid investments, money market funds, cash, short-term corporate and/or government bonds, in our first insurance dedicated fund are managed by an unaffiliated liquid portfolio manager, which is paid an annual fee ranging from equal 0.04% to 0.08% depending on the amount of total net assets managed by the liquid portfolio manager. Liquid investments in the second insurance dedicated fund are managed by New York Life Investments, an affiliated liquid portfolio manager, which is paid an annual fee equal to 0.10% of the average value of the assets in the liquid portfolio for each month. The liquid portfolio managers fees for both funds are paid quarterly in arrears. Investors also pay a fee to the funds’ unaffiliated investment manager equal to \$22,500 per quarter plus 6.0% per annum on the total net asset value of the fund.
- Credit Fund: This is a single investor fund with a relatively small investment by GoldPoint through the fund’s general partner. GoldPoint does not have discretion to make investments with respect to this fund without the investor’s prior written consent, and the investor has the right to terminate the fund at any time upon delivery of notice to GoldPoint. The fund’s annual administrative fee is equal to 0.25% of the lesser of invested capital or fair market value with respect to the fund if the investor’s total assets under management across all other GoldPoint managed funds are less than or equal to \$500 million. If such total assets under management exceed \$500 million, then the administrative fee will be equal to (i) 0.20% of the lesser of invested capital or fair market value with respect to the fund in excess of (x) \$500 million over such total assets under management over (y) the investor’s total assets under management across all other GoldPoint managed funds (excluding this fund), plus (ii) 0.25% on the remaining the lesser of invested capital or fair market value with respect to the fund.
- Investor Co-Investment Funds. From time to time, opportunities are offered to our investors to participate in equity and mezzanine investments alongside our equity co-investment and mezzanine funds in accordance with our co-investment policy. These investments are typically structured by having participating investors make their investment in a separate fund managed by us for investor equity co-investments and a separate fund managed by us for investor mezzanine co-investments. These funds generally invest on the same terms and at the same times

as our equity co-investment funds and mezzanine funds. These funds have separate classes to provide flexibility to permit a different mix of investors to participate in co-investment opportunities in various underlying portfolio companies. We do not charge management fees or performance fees with respect to these funds.

Other than with respect to the credit fund and investor co-investment funds, the general partners of these funds, which are our direct or indirect subsidiaries, or the investment subadvisor in the case of our insurance dedicated funds, are entitled to receive performance fees, also known as carried interest, following the return of the relevant fund investor's applicable invested capital plus a preferred rate of return.

- The general partners of our equity co-investment funds are entitled to carried interest of 12.5% for our earlier funds and 10% for our more recent funds.
- The general partner of our initial mezzanine fund is entitled to carried interest of 15% to 20% depending on the size of an investor's capital commitment. The general partners for our subsequent mezzanine funds are entitled to carried interest of 18% to 20%, depending on the size of an investor's capital commitment.
- The general partners of our funds-of-funds are entitled to carried interest of 5% for fund investments and 15% for equity co-investments.
- In our capacity as the investment subadvisor of the insurance dedicated funds, we are entitled to an incentive fee of 5% for fund investments and 15% for equity co-investments.

Some investors in our private investment funds negotiate side letters with the general partner and the fund in which they are investing, which side letters generally set forth additional limitations on our authority with respect to such investor and to the relevant fund as a whole.

- B. All of the private investment funds we manage, other than with respect to the credit fund, our current mezzanine fund and current fund-of-funds, and investor co-investment funds, are required to pay management fees to us semi-annually in advance. The private investment funds periodically call capital from their investors for the amount of our management fees as they become due. The credit fund pays its administrative fee quarterly in arrears. Our current mezzanine fund and current fund-of-funds are required to pay management fees to us quarterly in advance.

For our separately managed accounts, we send monthly, quarterly or semi-annual bills to our clients, depending on the terms of the relevant investment management agreement. These separately managed accounts are generally billed in arrears, except in limited circumstances where the client has agreed to billing in advance.

- C. In addition to the management fees discussed above, investors, through their interests in the private investment funds we manage and subadvise, bear their proportional share of all fund expenses incurred including those expenses incurred in the organization of our funds in which they invest, as well as the costs of offering the interests in such funds (excluding placement agent fees). Our funds, other than our credit fund and investor co-investment funds, include a maximum amount of organizational expenses that may be borne by the applicable fund; any excess organizational expenses are borne by the general partner and investment subadvisor of



the applicable fund. These general partners and investment subadvisors are either directly or indirectly controlled by us. Investors in our private investment funds also bear their proportional share of the operating expenses particular to the fund in which they invest (including any applicable custodial fees), which may include, without limitation, the following:

- costs, expenses and liabilities related to the fund's operations, including fees, costs and expenses related to the sourcing, identification, evaluation, investigation, structuring, negotiating, purchase, operating, and monitoring and sale of portfolio investments including brokerage commissions, finder's fees, financing fees, reverse termination, break-up and other similar fees, other transaction fees and costs (to the extent not reimbursed) investor portals for both fundraising and investor reporting;
- taxes;
- fees and expenses of third party accountants, consultants, advisors and counsel;
- costs and expenses of a fund's advisory committee and the meetings of such committee;
- costs related to compliance with laws and regulations applicable to us, the fund and its general partner, including the European Union Alternative Investment Fund Managers Directive;
- travel, accommodations, meals and entertainment expenses of the general partner, us and our employees in connection with the fund's business;
- due diligence and other third-party expenses for transactions pursued but not consummated, i.e., "broken deal" expenses (including travel and lodging);
- all principal, interest, fees, expenses and other amounts payable in respect of or in connection with borrowings, financings or derivative transactions;
- translation services; and
- litigation expenses and other extraordinary expenses.

To the extent appropriate, third-party costs are charged to portfolio companies.

GoldPoint makes a concerted effort to allocate charges across funds and separate accounts in an appropriate manner, taking into consideration fund and separate account involvement and appropriateness of investment.

Generally, GoldPoint will allocate expenses that are shared across multiple funds on a pro-rata basis. However, where our affiliated separately managed accounts and a fund-of-funds invest in the same underlying fund investments, a substantial portion of the legal review overlaps, other than a small number of issues particular to our fund-of-funds. In order to be fair and reasonable in apportioning outside legal fees and expenses between our affiliated separately managed accounts and fund-of-funds, taking into account the fact that commitments made our affiliated separately managed accounts are typically much larger than commitments made by our fund-of-funds, we allocate a flat amount of outside legal fees and expenses to our fund-of-funds and the remainder of such fees and expenses to our affiliated separately managed accounts. Where more than one of our fund-of-funds invest alongside our affiliated separately managed accounts, the fund-of-funds split the outside legal fees equally by the number of fund-of-funds making such investment.

When allocating expenses to funds based on AUM, the date selected is meant to be the most meaningful date to the fees incurred in order to apportion the charges in the most fair and equitable manner. Should GoldPoint determine expenses should be allocated in a manner other than pro rata, our chief operating officer, chief compliance officer and general counsel are

consulted.

Any brokerage fees incurred in connection with our purchase of securities on behalf of our clients are typically paid by the issuer of the securities we are purchasing. The brokerage firms through which we purchase securities generally act solely in an agency capacity and are paid for placement services by such issuers. Please see **Brokerage Practices** in Section IX for a more thorough description of our brokerage practices and expenses.

- D. Most of our separately managed account clients are billed in arrears for their management fees, at the end of each month, fiscal quarter or semi-annual period, as required by the applicable investment management agreement. To the extent that these clients are billed in advance and the applicable investment management agreement is terminated before the end of a management fee period, we will adjust the management fee so that the client is charged only for the actual number of days that we provided advisory services, and any unearned fee will be refunded to the client.

The private investment funds we manage, other than the credit fund and investor co-investment funds, are assessed management fees in advance, as of the first day of each payment period. Because investors in our funds-of-funds, equity co-investment and mezzanine funds are not permitted to withdraw their funds during the applicable fund's term, the only partial payment periods would occur at the end of a fund's term if the fund terminates in the middle of a payment period. At the expiry of a fund, if applicable, we will adjust the management fee so that the fund's investors are charged only for the actual number of days that we provided advisory services, and any unearned fee will be refunded to the investors.

- E. Some of our employees, including some of our executive officers and members of our investment committees, are registered with the Financial Industry Regulatory Association (FINRA) as representatives and/or principals of NYLIFE Distributors LLC (NYLIFE Distributors). NYLIFE Distributors is our affiliate and is registered as a broker-dealer with the SEC and a member of FINRA. By virtue of their FINRA registrations, these employees may sell interests to U.S. investors in our private investment funds. Our registered employees do not receive any transaction-based compensation for selling interests in the private investment funds.
- F. We have entered into, and in the future may enter into, strategic relationships pursuant to which we receive consulting fees and a share of a third party sponsor's management fees and/or performance fees in connection with investments made with such sponsors on behalf of our fund-of-funds and affiliated separately managed accounts. In the event that we receive such fees, we will do so in accordance with the applicable agreements and regulations and make the appropriate disclosures in the context of each specific relationship, service or contract. Our private investment funds invest in equity and mezzanine investments alongside sponsors in which we receive these fees; however, we do not have, nor do we expect to have, any voting rights or control with respect to a sponsor's decision with respect to these investments and such private investment funds do not pay management fees or performance based fees to third party sponsors in connection with investments they make.

#### **Item 6. Performance-Based Fees and Side-By-Side Management**

General partners of the private investment funds managed by us, other than the credit fund and investor co-investment funds, may receive performance-based fees, also known as carried interest. We directly or indirectly control these general partners. These fees are based on realized net gains

from the portfolio investments, and include each investor's proportional share of current income generated by portfolio investments held by the applicable fund.

We may also receive performance-based fees in connection with our management of certain separately managed accounts.

All of our clients who are charged a performance-based fee are also charged a management fee.

Although the investment mandates and objectives of our clients vary significantly, in the course of advising our separately managed accounts and managing our private investment funds, we may identify investment opportunities that are appropriate for both a separately managed account and a private investment fund, for multiple accounts, or for multiple funds. Because we receive performance-based fees from our private investment funds, and not from some of our separately managed accounts, we face a potential conflict of interest when we identify an investment opportunity that is appropriate for both a separately managed account that does not charge a performance based fee and a private investment fund that does.

As a registered investment adviser, we are under an obligation to treat each of our clients fairly. We have adopted an allocation policy that sets forth our procedures when allocating an investment opportunity among accounts. Pursuant to this policy, we make allocation determinations based upon the appropriateness of the investment for the client. Except as stated below, our allocation policy prohibits us from favoring one client over another client. Our allocation policy also prohibits our investment professionals from allocating or re-allocating securities to enhance the performance of one account over another account or to favor any affiliated account or any other account in which an employee has any interest. In instances when we have clients with overlapping investment mandates and objectives, we will generally allocate investments proportionally among those clients.

In cases where client accounts or private investment funds have overlapping mandates, and we make an allocation that favors one or more particular private investment funds or accounts over others, we disclose that fact to the private investment fund(s) and its investors or the client(s) receiving the less favorable allocation. We document our reasoning in circumstances where any client could be deemed to receive a less favorable allocation.

### **Item 7. Types of Clients**

We provide advisory services to two types of clients, private investment funds and affiliated institutional investors for which we manage separate accounts.

Our private investment funds are pooled investment vehicles, each type having its own distinct investment strategy, including funds-of-funds, mezzanine funds, equity co-investment funds, insurance dedicated funds, and a credit fund. These funds are exempt from registration as investment companies with the SEC pursuant to Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act of 1940.

In our mezzanine funds, the minimum capital commitment by an investor is \$10 million, and in our funds-of-funds, this amount is \$5 million. We do not have a minimum capital commitment requirement for our equity co-investment funds, insurance dedicated funds, or credit fund. The respective general partners of our private investment funds may waive an investor's minimum capital commitment and in fact have done so.

We serve as investment manager for various lines of business for the general account and for a separate pension plan account of New York Life Insurance Company (New York Life), our ultimate parent. We also serve as investment manager for a line of business for New York Life Insurance and Annuity Corporation (NYLIAC), which is one of our affiliates. We also invest these affiliates' capital in certain limited partner and general partner interests of the private investment funds we manage. These assets managed on behalf of New York Life and NYLIAC represent a substantial portion of our assets under management.

We do not have a minimum capital commitment for separately managed accounts.

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

A. Our managing principals currently use an investment strategy and analysis with respect to our private investment funds and separately managed accounts, which is comprised of five key elements:

- originate deal flow primarily through core partner relationships;
- minimize principal loss by leveraging a unique due diligence network;
- strictly adhere to established investment criteria;
- follow a disciplined investment process; and
- actively monitor portfolio companies.

In addition to this investment strategy and analysis, we use fundamental investment research to invest in private equity transactions, mezzanine debt securities, other debt securities, and private equity funds.

Investing in the private investment funds that we manage involves a risk of loss that all fund investors should be prepared to bear. Similarly, investments that we make on behalf of our separately managed account clients involve a risk of loss that all clients should be prepared to bear.

In addition to the five elements above, each of our private investment funds and separately managed accounts has the distinct investment strategies described below.

#### **Fund Advisory Program (for Separately Managed Accounts).**

- Our fund advisory program focuses on identifying and investing in private investment fund offerings by a select group of private equity financial sponsors who we believe have demonstrated expertise within a target area of investing and have a definable value-added approach to their portfolio companies (our core partners). We seek to develop long-term relationships with our core partners through equity co-investment and mezzanine financing, advisory board roles, and investments in successive funds over time.
- We invest for our clients on a discretionary basis, in a broad range of private equity strategies, including international and domestic leveraged buyout funds, private equity co-investments, and mezzanine and other debt investment partnerships.
- The typical aggregate commitment size for these fund investments (taking into account commitments by our advisory program separate accounts and our fund of funds) ranges from \$20 to \$130 million.
- We attempt to identify critical industry trends and select investment managers who we

believe are well-positioned to generate attractive risk-adjusted returns. We have relationships with many financial intermediaries and sponsors and attempt to identify the most promising partnership opportunities.

- All fund opportunities go through a due diligence process geared toward selecting managers with proven track records and a sustainable value-added approach.

#### Funds-of-Funds.

- The investment strategy for our funds-of-funds is to invest primarily in a portfolio of interests in U.S. based middle market buyout funds. The middle market for our fifth fund-of-funds is defined to include managers raising private equity funds with targeted fund sizes of up to \$1.75 billion.
- Our investment philosophy is to create a focused portfolio of key relationships with top-performing financial sponsors utilizing a core partner strategy. Our core partner strategy is based on identifying top-performing private equity financial sponsors with a demonstrated expertise within a target area of investing and a definable value-added approach to their portfolio companies.
- We attempt to identify critical industry trends and select investment managers who we believe are well-positioned to generate attractive risk-adjusted returns. We have relationships with many financial intermediaries and sponsors and attempt to identify the most promising partnership opportunities.
- All fund opportunities go through a due diligence process geared toward selecting managers with proven track records and a sustainable value-added approach.

#### Insurance Dedicated Funds.

- The investment strategy for the invested portfolio of our insurance dedicated funds is to identify and commit to a portfolio of our managed funds and to third-party managed funds, supplemented by private debt and equity co-investments which may be made available from the sponsors of such funds.
- All third-party managed fund opportunities go through a due diligence process geared toward selecting managers with proven track records and a sustainable value-added approach.
- The investment strategy for the liquid portfolio of our insurance dedicated funds is, depending on the fund, to achieve a high level of current income consistent with the maintenance of liquidity and the preservation of capital by investing in high quality fixed income securities and/or to purchase, trade and sell publicly listed, low-cost, highly liquid exchange traded funds.

#### Mezzanine Funds.

- The investment strategy for our mezzanine funds is to invest primarily in privately placed, unrated, non-investment grade subordinated debt and other mezzanine securities.
- The majority of our mezzanine funds' deal flow is generated through our core partner relationships and pre-screened by these financial sponsors prior to our involvement. We

conduct due diligence to assess the credit profile of the target company and confirm the sponsor's investment thesis prior to investing on behalf of our clients.

#### Equity Co-Investment Funds.

- The investment strategy for our equity co-investment funds is to make equity and equity-like co-investments, primarily alongside our core partners, and other buy-out sponsors.
- Our equity co-investment funds deal flow is generated through our core partner relationships and pre-screened by these financial sponsors prior to our involvement. We conduct due diligence to assess the credit profile of the target company and confirm the sponsor's investment thesis prior to investing on behalf of our clients.
- Due to the depth of our core partner relationships, our managing principals can identify and focus on those transactions in which the sponsor has relevant expertise and a history of success. Core partners often bring us opportunities before they are widely marketed, providing us with additional time for due diligence and the ability to work alongside the sponsor early in the transaction.
- We confirm the sponsor's investment thesis and the target company's prospects through due diligence prior to investing. In addition, through the core partners' portfolio companies and our affiliates' private placement portfolios, we have access to the management teams of many private companies that may be customers, suppliers, competitors of the target company or former executives of the target company. Through this due diligence network, we often gain proprietary insights into target companies, industries and management teams.

#### Credit Fund.

- The investment strategy for our credit fund is to seek significant levels of current income and long-term capital appreciation by acquiring, holding and disposing of debt securities, primarily second lien loans, and related equity securities domiciled or headquartered in the United States, Canada and Western Europe. Our credit fund deal flow is generated through our core partner relationships and pre-screened by these financial sponsors prior to our involvement. We conduct due diligence to assess the credit profile of the target company and confirm the sponsor's investment thesis prior to investing on behalf of the credit fund.

The material risks involved in the above investment strategies and the securities in which they invest are described below. A more detailed discussion of the risks related to our private investment funds is included in the confidential offering memorandum for each private investment fund.

#### Material Risks for All Private Investment Funds.

- The success of our private investment funds will depend significantly upon the ability of the core partners to identify attractive investment opportunities and in turn, to provide high quality deal flow to our private investment funds.
- Our private investment funds' investments will generally be highly illiquid.
- Interests in our private investment funds have not been registered under the federal securities laws or any other securities law and investors may not sell, transfer, or pledge their interests except with the consent of the applicable general partner, which may be

withheld in its sole discretion. The interests will not be redeemable, and voluntary withdrawals by investors will not be permitted, except when necessary to comply with particular laws, statutes, and regulations. There is currently no public market for fund interests.

- The success of our private investment funds depends in part upon the skill and expertise of our investment professionals, particularly our managing principals. The departure of a managing principal or another of our key employees could have an adverse impact on the performance of our private investment funds.
- Investors in our private investment funds will have no opportunity to participate in the funds' day-to-day operations, including investment (other than our credit fund) and disposition decisions. In order to safeguard their limited liability from the liabilities and obligations of our private investment funds, investors must rely entirely on the general partner and us to manage the affairs of the funds.
- A private investment fund's co-investment with third parties, including core partners, involves risks, including the possibility that a third-party investor may have economic or business interests or goals that are inconsistent with ours, or that a third party may be in a position to take (or block) actions in a manner contrary to our investment objectives.
- Our private investment funds may participate in a limited number of investments and, as a result, the unfavorable performance of any single investment may have a significant adverse effect on the performance of a particular fund.
- If an investor fails to make all or any portion of its capital contributions to a private investment fund when due, such default might cause injury to the fund and to the other investors. Non-defaulting investors could be required to make additional capital contributions to the fund to cover any shortfall resulting from other investors' defaults.
- Our private investment funds may not have sufficient cash flow to permit them to make distributions in the amount necessary for their respective investors to pay all tax liabilities resulting from their ownership of interests in our funds. As a result, investors may be required to use funds from other sources to satisfy tax liabilities resulting from their investments.
- For purposes of compliance with applicable regulations under the Employee Retirement Income Security Act of 1974 (ERISA), some of our private investment funds are managed to qualify as "venture capital operating companies," and as such, these funds may be precluded from making certain investments. These funds may also be required to liquidate investments at disadvantageous times, resulting in lower proceeds to a fund than that fund might otherwise receive.
- The assets of three of our funds-of-funds are treated as "plan assets" for purposes of ERISA. Accordingly, we serve as a "qualified professional asset manager" under ERISA with respect to these funds. As a result, these funds are precluded from engaging in non-exempt prohibited transactions under ERISA and the Internal Revenue Code, including certain investments and other transactions. In addition, these funds are not permitted to invest in certain underlying funds. ERISA compliance activities could expose the assets of these funds to claims by a portfolio company, its security holders and its creditors. While we intend to manage these funds in a way to minimize the exposure to these risks, the

possibility of successful claims under ERISA cannot be precluded.

- The general partners of our funds-of-funds, mezzanine funds and equity co-investment funds are entitled to receive carried interest if specified performance criteria are met. Certain of our executive officers and affiliates invest in the general partners and are therefore able to participate in a portion of the carried interest that the general partners earn. The potential to earn carried interest may create an incentive for the general partner and its affiliates, including us, to make more speculative investments than would otherwise have been made in the absence of such performance-based compensation programs.
- Non-U.S. investments by a private investment fund involve certain factors not typically associated with U.S. investments, including risks related to currency exchange matters; differing accounting, auditing, financial reporting and legal standards; economic, social and political risks; foreign taxes; and the risk of laws and regulations of foreign jurisdictions, which may impose additional restrictions on a fund's activity.
- If a private investment fund becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to all of the fund's assets and may not be limited to any particular asset, such as the investment giving rise to the liability.
- Under certain circumstances, payments to our funds and distributions by our funds to their investors may be reclaimed if a court or other adjudicatory body determines that a portfolio company within the fund has made an unlawful preferential payment.
- While we actively monitor each investment, the management of each portfolio company is primarily responsible for managing its day-to-day operations, and we will not generally have the right to exert significant influence on a portfolio company, its management or board of directors. As a result, our funds are significantly reliant on the existing management and board of directors of such companies, which may include representation of other unaffiliated investors whose interests may conflict with ours.
- When we value fund investments that do not have active trading markets, we may consider one or more subjective factors and use our own professional judgment. Accordingly, these valuations may not agree with the valuations made by others, including industry and investment professionals. These valuations should not be viewed as accurate predictions of the ultimate values that will be realized if and when such investments are sold or otherwise disposed of.
- Our private investment funds may invest in businesses with little or no operating history.
- Each private investment fund we manage has its own distinct investment committee, and we have another separate investment committee with respect to the accounts that we manage under our Fund Advisory program. Each investment committee is comprised of our six managing principals, head of business development, and chief operating officer and requires an affirmative majority vote to approve investments. In addition, in accordance with New York State insurance law, two officers of New York Life, our ultimate parent company, sit on the investment committee of our Fund Advisory Program, and one officer of New York Life Insurance Company sits on the investment committees of our private investment funds in which New York Life's and its affiliates' capital commitments equal 40% or more of such fund's aggregate capital commitments and such funds do not own securities in other subsidiaries. With respect to such investment committees, New York



State insurance law requires that the affirmative majority vote include the officer of our ultimate parent company. As a result, investment decisions with respect to the Fund Advisory Program and such private investment funds may empower the New York Life representatives.

- Under New York State insurance law, New York Life may be required to review and ratify investments made by certain of our private investment funds. If any investment has not been ratified by New York Life, the fund may be required to dispose of such investment at a significant discount to the purchase price originally paid by the fund.
- In connection with the disposition of an investment in a portfolio company, our private investment funds are sometimes required to make representations about the business and financial affairs of the portfolio company typical of those made in connection with the sale of any business and be responsible for the contents of disclosure documents under applicable securities laws. Additionally, from time to time, members of our investment team sit on the board of directors or board of managers of a portfolio company, which may subject such individuals to derivative or other similar claims brought by security holders of these companies. Our funds may also be required to indemnify the purchasers of such investment or underwriters in the event that the portfolio company is subject to an initial public offering to the extent that any such representations or disclosure documents turn out to be inaccurate. These arrangements may result in contingent liabilities, which might ultimately have to be funded by the investors in our private investment funds.
- Because of the indemnification provisions contained in our private investment funds' governing documents, investors in our funds may have a more limited right of action against us, our managing principals, and our affiliates than they would have in the absence of such provisions.
- The Foreign Account Tax Compliance provisions of the Hiring Incentives to Restore Employment Act (FATCA), supplemented by certain foreign legislation and regulations passed pursuant or in relation thereto, generally impose a reporting and 30% withholding tax regime with respect to certain U.S. source income (including dividends and interest) and, after December 31, 2016, gross proceeds from the sale or other disposition of property that can produce U.S. source interest or dividends (withholdable payments). As a general matter, the rules are designed to require U.S. persons' direct and indirect ownership of non-U.S. accounts and non-U.S. entities to be reported to the IRS, and the 30% withholding tax regime applies if there is a failure to provide any required information. As a result, some of our private investment funds are required to enter into an agreement with the Internal Revenue Service or comply with any applicable intergovernmental agreements between the United States and a foreign taxation authority and to provide certain information, including information regarding their limited partners, to the IRS or to such applicable foreign taxation authority. These funds comply with these requirements in order to avoid withholding taxes under FATCA. FATCA also mandates that payments from our funds to any limited partner that are attributable to withholdable payments will be subject to the 30% withholding tax unless the limited partner provides such information as may be required to comply with the provisions of the new rules, including, in the case of a non-U.S. limited partner, information regarding certain U.S. direct and indirect owners of such non-U.S. limited partner. The failure of a limited partner to provide such information may also result in other adverse consequences applying to the limited partner, including such limited partner being required to transfer its interest in the applicable fund or otherwise withdraw from the fund. A limited partner that is treated as a "foreign financial institution"

will generally be subject to withholding unless it enters into an agreement with the IRS or, in the case of a limited partner in a jurisdiction that has entered into an intergovernmental agreement with the United States, complies with the requirements of such agreement.

- The European Union Alternative Investment Fund Managers Directive (AIFMD) regulates the activities of certain private fund managers undertaking fund management activities or marketing fund interests to investors within the European Economic Area (EEA). Certain of our private investment funds are, and our future private investment funds may be, actively marketed to investors domiciled or having their registered office in the EEA in circumstances where no transitional relief is available: (i) certain of our private investment funds are, and our future private investment funds may be, subject to certain reporting, disclosure and other compliance obligations under the AIFMD, which may result in our private investment funds incurring additional costs and expenses; (ii) certain of our private investment funds are, and our future private investment funds, their general partners and/or we may become, subject to additional regulatory or compliance obligations arising under national law in certain EEA jurisdictions, which may result in our private investment funds incurring additional costs and expenses or otherwise affect their management and operations; and (iii) certain of our private investment funds are, and our future private investment funds may be, required to make detailed information relating to our private investment funds and their investments available to regulators and third parties. In addition, it is possible that some EEA jurisdictions will elect to restrict or prohibit the marketing of non-EEA funds to investors based in those jurisdictions, which may make it more difficult for our private investment funds to raise their respective targeted amount of capital commitments.
- GoldPoint is dependent on information technology, telecommunication and other operational systems, including both proprietary or internal systems and systems used or provided by third-party service providers (such as custodians, financial intermediaries, transfer agents and other parties to which we or they outsource the provision of services or business operations). These systems may become disabled or fail to operate properly as a result of events or circumstances wholly or partly beyond our or their control. Further, despite implementation of a variety of risk management and security measures, our information technology and other systems, and those of service providers, could be subject to unauthorized access or other security breaches, resulting in a failure to maintain the security, availability, integrity and confidentiality of data assets. Technology failures or cyber security breaches, whether deliberate or unintentional, including those arising from use of third-party service providers, could have a material adverse effect on our business and could result in, among other things, financial loss, reputational damage, regulatory penalties or the inability to transact business.
- *Other Business Interruptions:* Our investment advisory activities or operations could be interrupted or adversely affected by extraordinary events, emergency situations or circumstances beyond our control, including, without limitation, outbreaks of infectious diseases, pandemics or any other serious public health concerns, war, terrorism, failure of technology, accidents, disasters, government macroeconomic policies or social instability. In order to mitigate the effects of these types of events, we may activate our business continuity and disaster recovery plans. These plans may, for example, require our employees to work and access our information technology, communications or other systems from their homes or other remote locations. However, our business continuity and disaster recovery plans may not be successful, or we could be delayed in implementing or recovering our investment advisory activities or operations. For example, we may have

issues or delays in accessing our information technology, communications or other systems, which could have a material adverse effect on our business.

- **Public Health Crisis.** A public health crisis, pandemic, epidemic or outbreak of a contagious disease, such as the recent outbreak of Coronavirus (or COVID-19) in China, the United States, Europe and other countries, could have an adverse impact on global, national and local economies, which in turn could negatively impact our investments and strategies. Disruptions to commercial activity resulting from the imposition of quarantines, travel restrictions or other measures, or a failure of containment efforts, may adversely affect our investments, including by causing supply chain delays or disruptions or staffing shortages. The outbreak of Coronavirus has contributed to, and may continue to contribute to, volatility in financial markets, including market liquidity and changes in interest rates. A continued outbreak may have a material and adverse impact on our investment returns. The impact of a public health crisis such as the Coronavirus (or any future pandemic, epidemic or outbreak of a contagious disease) is difficult to predict, which presents material uncertainty and risk with respect to the performance of our investments and strategies.

Material Risks Involved with respect to our Equity Co-Investment Funds.

- Equity securities that we purchase for our equity co-investment funds are typically subordinated to senior and mezzanine debt and are typically unsecured. This means that distributions to equity holders are available only after satisfaction of claims of senior and mezzanine creditors and any other securities senior to the equity securities purchased. Therefore, if a portfolio company does not generate adequate cash flow to service its debt obligations, our funds that have invested in that company's equity securities may suffer a partial or total loss of invested capital.
- Investments in equity securities of companies with substantial amounts of indebtedness involve a high degree of risk. Companies with substantial amounts of indebtedness are inherently more sensitive to adverse business or financial developments or economic factors, including declines in company revenues, increases in company expenses, rising interest rates, downturns in the economy, increasing competition and deteriorating industry conditions.
- The price of equity securities varies with the performance of the company that issued the securities, and with the performance of equity markets as a whole. Therefore, if the issuer or the securities markets experience a decline in performance against which value the fund is unable to hedge, the value of the funds' portfolios may also decline.
- While we do not currently manage any separately managed accounts with an investment strategy similar to our equity co-investment funds, our current equity co-investment fund permits us to allocate a portion of an equity co-investment opportunity to separately managed accounts. The limited partnership agreement of our current equity co-investment fund provides that we allocate equity co-investment opportunities consistent with its investment objectives to the fund and one or more separately managed accounts on a fair and reasonable basis in accordance with its allocation policies, based on a variety of factors we deem appropriate. Unless our current equity co-investment fund has fully satisfied its desired commitment with respect to an equity co-investment opportunity originated by or presented to us, until the termination of the fund's investment period, no more than 25% of such equity co-investment opportunity may be allocated by us to separately managed accounts and the fund will have priority over the first \$25.0 million of any such equity co-

investment opportunity available to us. There may be situations where we determine it is not appropriate for the fund to take up its full priority share of such investment opportunity. As a result, our current equity co-investment fund may co-invest with separately managed accounts, and in connection with any such investments, the fund on the one hand, and any separately managed accounts on the other hand, may have conflicting interests and investment objectives, and such conflicts may not be resolved in favor of the fund.

Material Risks Involved with respect to our Mezzanine Funds.

- Investments in mezzanine securities of companies with substantial debt involve a high degree of risk. Highly leveraged companies are inherently more sensitive to adverse business or financial developments or economic factors, including declines in company revenues, increases in company expenses, rising interest rates, downturns in the economy, increasing competition, and deteriorating industry conditions. There can be no assurance that a portfolio company will generate sufficient cash flow to service its debt obligations.
- Mezzanine securities typically are subordinated to substantial amounts of senior debt, all or a significant portion of which may be secured. As a result, distributions to mezzanine holders are available only after all senior creditors' claims have been satisfied.
- Certain of our mezzanine funds are permitted to borrow money on a short-term basis (also known as "using leverage") to make investments or finance their operations. If a fund were to employ leverage, there can be no assurance that it will have sufficient cash flow to repay its debt. As a result, the fund's losses may be increased due to the illiquidity of its investments. Further, a portfolio company may not generate enough cash to make regular interest or dividend payments, to service its debt obligations or to return principal or capital invested, which may cause a fund to suffer a partial or total loss of invested capital with regard to that company.
- General fluctuations in the market prices of securities and interest rates, whether caused by government policy or otherwise, could increase interest expenses or reduce the availability of capital for portfolio companies, which in turn could adversely affect the financial performance of a mezzanine fund.
- As a result of the lack of availability of financing and volatile market conditions, the core partners may not be able to identify a sufficient number of investments meeting the investment objectives of our mezzanine funds, and/or may not offer such investment opportunities to us or to our funds. As a result, the funds may not be able to invest fully their committed capital.
- Our ability to influence a portfolio company's affairs, especially during periods of financial distress or following an insolvency, is likely to be substantially less than that of senior creditors. Accordingly, we may not be able to take the steps necessary to protect our mezzanine investments in a timely manner or at all.
- A mezzanine fund's investments may be subject to early redemption features, refinancing options, pre-payment options or similar provisions which, in each case, could result in the issuer's repaying the principal on an obligation held by such fund earlier than expected. If early redemption of an investment occurs, we may not be able to reinvest the proceeds in a comparable investment.

- Certain mezzanine fund investments, including debt obligations issued at a discount, may require a fund's investors to recognize taxable income even though the investors have not received any cash in connection with the transaction giving rise to the tax liability.
- If a portfolio company becomes insolvent or files for bankruptcy protection, there is a risk that a court may subordinate a fund's investment to other creditors or require a mezzanine fund to return amounts previously paid to it by the portfolio company. A fund's exercise of management rights in a portfolio company may also lead creditors of the portfolio company or other parties to assert claims against the fund.
- Although our mezzanine funds intend to structure their mezzanine investments to include protective terms and conditions, a fund's investments may not always be protected by financial covenants or limitations upon the borrower's assuming additional indebtedness, may have limited liquidity and may not be rated by a credit rating agency. Debt securities in general are also subject to other creditor risks, including:
  - the possible invalidation of an investment transaction as a “fraudulent conveyance” under relevant creditors’ rights laws;
  - so-called lender liability claims by the issuer of the obligations; and
  - environmental liabilities that may arise with respect to collateral securing the obligations.
- While they have not historically done so on a regular basis, our mezzanine funds may borrow money to fund the cost of non-U.S. investments in order to hedge exposure to fluctuations in the exchange rate between the U.S. dollar and other currencies. A fund may also borrow money on a short-term basis in anticipation of receiving additional capital called from investors or distributions from its portfolio companies. The extent to which a fund borrows to fund its activities may have important consequences to the investors in such fund, including:
  - greater fluctuations in the value of the net assets of the fund;
  - the use of cash flow (including capital contributions) for debt service and related costs and expenses, rather than for additional investments, distributions or other purposes;
  - to the extent that the fund's revenues are required to meet principal payments on indebtedness, the investors in that fund may be allocated income (and therefore tax liability) in excess of cash available for distribution;
  - the use of leverage may result in unrelated business taxable income for tax-exempt investors;
  - in certain circumstances, the fund may be required to prematurely dispose of investments to service its debt obligations;
  - the terms of any indebtedness may restrict the flexibility of the fund to make distributions to its investors or sell assets that are pledged to secure such indebtedness; and
  - if interest rates were to increase, the interest expense on any floating rate indebtedness (debt obligations that are periodically refinanced at then-current market rates to pay for a company's ongoing operations) would increase, perhaps significantly.

- Equity securities that we purchase for our mezzanine funds are typically subordinated to large amounts of senior and mezzanine debt and are typically unsecured. This means that equity distributions are available generally only after satisfaction of claims of senior and mezzanine creditors and any senior classes of equity. Therefore, if a portfolio company does not generate adequate cash flow to service its debt obligations, our mezzanine funds that invested in that company's equity securities may suffer a partial or total loss of its invested equity capital.
- While we do not currently manage any separately managed accounts with an investment strategy similar to our mezzanine funds, our current mezzanine fund permits us to allocate a portion of mezzanine investment opportunities to separately managed accounts. However, the limited partnership agreement of our current mezzanine fund provides that we allocate mezzanine investment opportunities consistent with its investment objectives to the fund and one or more separately managed accounts on a fair and reasonable basis in accordance with its allocation policies, based on a variety of factors we deem appropriate. Unless our current mezzanine fund has fully satisfied its desired commitment with respect to a mezzanine investment opportunity originated by or presented to us, until the termination of the fund's investment period no more than 25% of such mezzanine investment opportunity may be allocated by us to separately managed accounts and the fund will have priority over the first \$20.0 million of any such mezzanine investment opportunity available to us. There may be situations where we determine it is not appropriate for the fund to take up its full priority share of such investment opportunity. As a result, our current mezzanine fund may co-invest with separately managed accounts, and in connection with any such investments, the fund on the one hand, and any separately managed accounts on the other hand, may have conflicting interests and investment objectives, and such conflicts may not be resolved in favor of the fund.

Material Risks Involved with respect to our Funds-of-Funds and Fund Advisory Program.

- Based on historical realization periods for private investment funds that may be purchased by our funds-of-funds or for a client to which we provide fund advisory services (underlying funds), no significant return, if any, from disposition of an underlying fund's investments will likely occur until a substantial number of years from such fund's initial investment date.
- Our funds-of-funds and our fund advisory program clients invest primarily in underlying funds sponsored by third parties, which means that we do not have an active role in the management of the investments that these funds make. As a result, our clients' account performance depends significantly on the investment and other decisions made by third parties, which can have a material adverse effect on the returns that clients receive.
- Some sponsors of underlying funds may have relationships with other private investment funds that we manage and/or New York Life and its affiliates that may create conflicts of interests between our fund-of-funds and fund advisory clients, on the one hand, and such private investment funds and New York Life affiliates, on the other hand.
- The portfolio companies in which the underlying funds invest face their own operating and financial risks and may face intense market competition. These factors may adversely impact the performance of the portfolio companies and the underlying funds.

- Interests in the underlying funds are difficult to value because they are illiquid. Any valuation that we make will be based on our good faith determination as to the fair value of those interests, and may not equal or approximate the price at which such interests ultimately may be realized.
- With respect to underlying fund investments, GoldPoint generally uses the valuations provided by the managers of such funds or co-investments after determining in good faith that such valuations best approximate fair value. If we observe issues or have concerns with the valuation methodology employed or the resulting valuation provided by the manager of an underlying fund, we may decide not to use the valuation in that particular instance. If we do not accept such valuation, we will value that investment based on our good faith determination of its fair value as of the reporting date of the applicable underlying fund. The underlying funds typically use a market approach, income approach, or combination thereof.
- With respect to co-investments, if there is a public market with respect to such investment, the co-investment will be carried at a value equal to the quoted price as of the reporting date. The general partner for the applicable fund will determine if a discount is appropriate based on any SEC or other transfer restrictions to which the security is subject. The value of non-public securities will be based on the general partner's best estimate of fair value as of the reporting date. In determining fair value, the general partner may take into consideration the financial condition and operating results of the portfolio company, the valuation provided by the lead deal sponsor, and various other factors deemed relevant to the general partner.
- The potential to earn carried interest may create an incentive for a general partner of an underlying fund to make more speculative investments on behalf of a fund than such general partner would otherwise make in the absence of such performance-based compensation.
- If the general partner or manager of an underlying fund determines that the continued participation of our client or clients in the underlying fund would have a material adverse effect on the underlying fund or its assets, that fund may terminate the client's interest in the underlying fund, or otherwise penalize the client(s).
- The underlying funds may employ leverage in connection with investment activities and may borrow amounts before calling capital from investors to finance an investment. Leverage magnifies the opportunity for gain and risk of loss from investment activities, and will result in interest expense and other costs to the underlying funds which such costs and expenses may ultimately be passed through to our fund advisory clients and investors in our funds-of-funds that have made commitments to such underlying funds.
- Because of the indemnification provisions contained in the underlying funds' governing documents, our fund advisory clients and the investors in our funds-of-funds may have a more limited right of action against the general partners of such funds than they would have in the absence of such provisions.
- In certain circumstances, some of the underlying funds may have restrictions about the types of investors they are willing to admit. For example, an underlying fund may have certain internal, policy, or regulatory restrictions preventing it from accepting non-US investors. In such a case, our fund-of-funds may be prevented from committing to such

underlying fund, or our fund-of-fund may need to make such a commitment through an alternative investment vehicle. In such a case, some of the investors in the fund-of-funds may be excluded from the investment, which could lead to different returns for such investors.

Material Risks Involved with respect to our Funds-of-Funds.

- Our first four funds-of-funds permit total commitments to underlying funds and co-investments up to 120% of their aggregate capital commitments. Our fifth funds-of-funds permit total commitments to underlying funds and co-investments up to 125% of their aggregate capital commitments. Our fourth and fifth fund-of-funds permit follow-on investments to be made after the end of their respective investment periods with respect to existing co-investments in excess of such 120% and 125% limits, respectively, if these funds have sufficient unfunded capital commitments as a result of recycled capital to make such follow-on investments. This over-commitment strategy makes it more likely that these funds will face a liquidity shortage if distributions and other cash resources are less than their cash needs, whether attributable to delays in realizations of investments, defaults by their partners or other reasons. If our funds-of-funds are unable to borrow, establish sufficient reserves, or otherwise raise funds to meet their obligations in order to make capital contributions when due to any of their underlying funds, they may be subject to significant penalties under the terms of the underlying funds' governing documents, which could have a material adverse effect on the value of their respective investment in such underlying fund, and their overall financial condition.
- Our funds-of-funds invest in funds that invest in middle market companies. Investments in such companies may entail greater risks than are customarily associated with investments in large companies. Medium-sized companies may have more limited product lines, markets, and financial resources, and may be dependent on a smaller management group. As a result, such companies may be more vulnerable to general economic trends and to specific changes in markets and technology. In addition, future growth may be dependent on additional financing, which may not be available on acceptable terms when required. Further, there is ordinarily a more limited marketplace for the sale of interests in smaller, private companies, which may make realizations of gains more difficult, by requiring sales to other private investors.
- An investor in our funds-of-funds will pay, in effect, two sets of management fees: one directly at the fund level and one indirectly through the funds at the underlying fund level. These fees reduce the actual returns to investors both in the underlying fund and in the fund-of-funds. Fees and expenses of the funds-of-funds and the underlying funds will generally be paid regardless of whether the funds or underlying funds produce positive investment returns, and could result in the amount received by an investor in a fund being less than its total capital contributions to the fund. Consequently, the return to an investor in a fund-of-funds will be lower than those of a direct investor in the underlying funds.
- An investor in the funds-of-funds may pay, in effect, two sets of carried interests: one directly to the fund-of-funds' general partner and one indirectly through the fund to the underlying funds in which it invests. Consequently, the return to an investor in a fund-of-funds will be lower than those of a direct investor in the underlying funds.
- In some cases, due to confidentiality restrictions imposed by the underlying funds in which a fund-of-funds has invested, investors may not have sufficient information to evaluate to



their full satisfaction the risks of investing in the fund or of the investments made by the fund in underlying funds.

- Investments made by a fund-of-funds or by the underlying funds may require investors to recognize taxable income even though they have not received cash. In such an event, an investor would have to use other funds to satisfy any resulting tax liability.
- In order to meet capital recall obligations (including indemnification obligations) to underlying funds, the funds-of-funds may, subject to certain limitations, recall from their investors their required share of any distributions made by the funds to their investors.
- Our Chief Executive Officer is a member of the board of directors of an affiliated investment adviser that, among other things, manages a fund-of-funds with investment objectives similar to those of our funds-of-funds. In order to separate these two roles and prevent our CEO's activities from limiting our funds-of-funds' ability to make or dispose of investments, we have established certain guidelines that may, in limited circumstances, restrict our CEO's participation with respect to certain potential or consummated fund-of-funds investments.
- It is anticipated that, in certain situations, our fund-of-funds will invest alongside our other clients and may obtain special economics or other favorable terms that would not have been available to the fund-of-funds in the absence of the commitments made by our other clients. In circumstances where we deem it appropriate, we are authorized to allocate all or a portion of the benefits associated with the special economics to our other clients on a basis that is disproportionate to the amounts committed.
- For purposes of compliance with applicable regulations under the Employee Retirement Income Security Act of 1974 (ERISA), some of the underlying funds in our fund-of-funds may be managed to qualify as "venture capital operating companies". As such, these underlying funds, and indirectly, our fund-of-funds, may be precluded from making certain investments. These underlying funds may also be required to liquidate investments at disadvantageous times, resulting in lower proceeds to an underlying fund, and in turn, our fund-of-funds, than either might otherwise receive.
- The assets of three of our fund-of-funds are treated as "plan assets" for purposes of ERISA. Accordingly, we serve as a "qualified professional asset manager" under ERISA with respect to these funds. As a result, these funds are precluded from engaging in non-exempt prohibited transactions under ERISA and the Internal Revenue Code, including certain investments and other transactions. In addition, these funds are not permitted to invest in certain underlying funds. ERISA compliance activities could expose the assets of these funds to claims by a portfolio company, its security holders and its creditors. While we intend to manage these funds in a way to minimize the exposure to these risks, the possibility of successful claims under ERISA cannot be precluded.

#### Material Risks Involved with respect to our Insurance Dedicated Funds

- Policy owners of variable life insurance and variable annuity contracts issued by investors in our insurance dedicated funds that allocated a portion of their investment in such separate account to our insurance dedicated funds have no right to communicate with or direct our investment policies or decisions relating to the fund. Any such communications could result in such policy owners being considered the owner, for federal income tax

purposes, of the assets of the fund, and adversely impact the tax benefits of the fund for such policy owners.

- The tax benefits of the insurance dedicated funds for such policy owners may not be available if the investment methodology of our insurance dedicated funds does not satisfy the diversification rules under the internal revenue code and its regulations with respect to insurance dedicated funds, including the risk that if these funds fail to meet such diversification rules, such policy owners may no longer be able to hold tax-deductible reserves for their policies, and policy owners would be subject to current taxation on the annual earnings of their respective separate account.

#### Material Risks Involved with respect to our Credit Fund

- Loans made by the credit fund will primarily be second lien loans, which are subject to many of the same risk factors as described above with respect to mezzanine securities; however, these loans are generally secured by collateral of the underlying portfolio company.
- Under certain circumstances, the collateral securing a second lien loan, if any, might not be sufficient to satisfy the borrower's obligations in the event of non-payment of scheduled interest or principal, and may be difficult to liquidate on a timely basis.
- A decline in the value of the collateral could cause the second lien loan to become substantially unsecured, and circumstances could arise (such as in the bankruptcy of a borrower) which could cause the borrower's security interest in the loan's collateral to be invalidated.
- Second lien loans are subordinate in security to one or more senior secured loans of the borrower and therefore are subject to additional risk that the cashflow of the borrower and the property securing the second lien loan may be insufficient to pay the scheduled payments to the lender and are also expected to be less liquid than senior secured loans.
- These second lien loans may be "covenant lite," which have financial covenants measured at the time of incurrence of new indebtedness, but generally do not have "maintenance covenants" measured on a periodic basis. Covenant lite loans may be subject to greater risk of default than loans with both incurrence and maintenance covenants.

#### **Item 9. Disciplinary Information**

There is no disciplinary information with respect to any individual GoldPoint employee, including its executive officers and members of its investment committees.

Please see GoldPoint's Form ADV Part 1, Item 11 and accompanying Disclosure Reporting Pages for disclosure about disciplinary information related to New York Life Insurance Company, an advisory affiliate of GoldPoint. As disclosed in Item 1 above, GoldPoint is a wholly-owned subsidiary of New York Life Investment Management Holdings LLC, which, in turn, is a wholly-owned subsidiary of New York Life Insurance Company. Given this ownership structure, each of New York Life Investment Management Holdings LLC and New York Life are "Advisory Affiliates" of GoldPoint and has the power to exercise a controlling influence over GoldPoint's management and policies. GoldPoint is therefore required to disclose New York Life's disciplinary

information and disciplinary history.

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

We are part of a group of affiliated companies engaged in various financial service businesses. In certain cases, we may have business arrangements with our related companies that are material to our advisory business or to our clients. These material business arrangements are described below.

- A. **Broker Dealers:** A number of our employees are registered with FINRA as representatives and/or principals of NYLIFE Distributors. NYLIFE Distributors is our affiliate and is registered as a broker-dealer with the SEC and a member of FINRA. By virtue of their FINRA registrations, these employees may sell interests in our private investment funds to investors. These private investment funds are not required to be registered with the SEC as investment companies nor are they offered pursuant to an SEC-registered offering. Our registered employees do not receive any transaction-based compensation for selling the private investment funds.

From time to time, we may enter into arrangements with our affiliated broker-dealer, NYLIFE Distributors, with whom certain employees of our affiliated investment advisers are also registered as representatives. In connection with these arrangements, we may pay a fee and transaction-based compensation to NYLIFE Distributors as compensation for the efforts of the registered employees of our affiliated investment advisers in selling or promoting the sale of interests in our private investment funds.

From time to time, we may enter into arrangements with our affiliated investment advisers to recommend clients to each other. If we pay a cash fee to anyone for soliciting clients on our behalf or if we receive a cash fee from another investment adviser for recommending clients to it, we will comply with the requirements of the SEC's cash solicitation rule to the extent that they apply. This rule requires a written agreement between the investment adviser and the person soliciting clients on its behalf. The rule requires that the soliciting person provide a disclosure document to the potential client at the time that the solicitation is made. As required by the rule, we will not engage another person to solicit clients on our behalf if that person has been subject to securities regulatory or criminal action within the preceding ten years.

Outside of selling private investment funds to our clients and other investors, we do not use broker-dealers that are affiliated with us in executing securities transactions for our clients.

- B. **Investment Advisers:** In certain instances, our private investment funds and separately managed accounts may receive publicly traded equity securities as the result of a stock distribution, merger with a public company, a going public transaction or through a bankruptcy restructuring. If we then elect to dispose of such securities, we may use the services of our affiliated investment adviser, NYL Investors LLC (SEC File No. 801-78759), to sell the securities on our behalf. When this occurs, NYL Investors LLC will execute the transactions consistent with obtaining best price and execution. Aside from this trading arrangement, our investment management and operations functions and those of our affiliates are generally autonomous, and operate separately from each other. This policy is intended to limit the dissemination of material non-public information and to permit the investment management, trading and operations functions of each firm to operate without regard to or interference from the other. If we share information with, or receive information from, certain of our advisory affiliates in connection with prospective or existing investments in the private market, appropriate controls are implemented with respect to the exchange of such information in order

to limit potential conflicts of interest and to ensure that the sharing of such information does not violate our internal information policy or contravene applicable law or regulation.

- C. **Pooled Investment Vehicles:** We serve as investment manager to several private investment funds that are exempt from registration as investment companies under the Investment Company Act of 1940. The general partner of each of these private investment funds is an affiliate. A number of our employees and certain of our affiliates also invest in the general partners of these private investment funds (other than our credit fund and investor co-investment funds), and share in the performance-based compensation (known as carried interest) earned by such general partners. We make loans at an arms-length interest rate to our senior employees in order for them to fund a portion of their investment in our general partners. Our affiliated separately managed account clients have been, and in the future may be, solicited to invest in the private investment funds that we manage or in other similar funds that we may form. Investors that are not otherwise our clients may also invest in our private investment funds.

A majority owned affiliate of New York Life Investment Management Holdings LLC, Private Advisors, LLC, serves as a co-advisor to RidgeLake Partners, LP (“RidgeLake”), a fund in which New York Life is also a seed investor. RidgeLake’s investment strategy seeks to achieve income and capital appreciation through minority equity ownership stakes in established asset management companies (“Investee Managers”). GoldPoint’s advisory clients may invest in funds managed by Investee Managers in which RidgeLake has an ownership stake. RidgeLake may invest in Investee Managers who manage funds in which GoldPoint advisory clients are invested. GoldPoint is not involved in the investment decisions of RidgeLake and independently makes decisions regarding the selection, management and disposition of investments based on what it believes are in the best interest of GoldPoint’s advisory clients.

- D. **Insurance Companies:** Pursuant to investment management agreements, we serve as investment manager for the general account and a separately managed account of New York Life Insurance Company (New York Life), our ultimate parent, and for a separately managed account for another affiliate, New York Life Insurance and Annuity Corporation (NYLIAC). We also invest these affiliates’ capital in the limited and general partner interests of the private investment funds we manage. Assets that we manage on behalf of New York Life and NYLIAC, both through separately managed accounts and as investors in our private investment funds, represent a substantial portion of our assets under management.

We are also a party to a service agreement with New York Life, in which New York Life provides us services, including legal, compliance (including compliance with the SEC’s Rule 206(4)-7), and other services for which we are billed.

We also have a placement agent agreement in place with New York Life Investment Management LLC, an affiliated investment adviser registered with the SEC (File No. 801-57396), under which its branch office in Korea may provide placement agent services for a fee.

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

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

Our fiduciary relationship with our clients requires that we and our employees place the interests of our clients first. As such, our Code of Ethics (the Code) covers all employees and sets forth

guidelines that promote ethical conduct generally. In addition to the Code's policies regarding personal securities trading, the Code requires our employees to follow policies and procedures relating to the conduct standards of our Code including: conflicts of interest, inside information and information barriers, gifts and entertainment, personal political contributions, and selective disclosure of mutual fund portfolio holdings. A copy of our Code is available upon request. Our contact information appears on the cover page of this brochure.

While we permit our officers and employees to engage in personal securities transactions, as a company we recognize that these transactions may raise potential conflicts of interests. This is particularly true when they involve securities owned by, or considered for purchase or sale for, a client account.

Our Code addresses potential conflicts of interests by requiring that, with regard to investments and investment opportunities, our employees' first obligation is to our clients. The Code requires all of our employees to adhere to the highest duty of trust and fair dealing. In addition, all employees must conduct their personal securities transactions in a manner that does not interfere with any client's portfolio transactions or take inappropriate advantage of an employee's relationship with a client.

The Code covers all of our officers and employees, and all officers and employees are considered "Access Persons" under the Code. Access Persons are defined as officers or directors or persons who have access to non-public information regarding any client's purchase or sale of securities, or information regarding the portfolio holdings of any client account advised by us or our affiliates. Specifically, all officers and employees are subject to the following restrictions subject to certain exceptions that may be granted by our chief compliance officer, if appropriate:

- May not purchase or sell "Covered Securities" without pre-clearance through our Compliance Department. Covered Securities include everything except: i) transactions involving direct obligations of the US Government; ii) shares of unaffiliated open-end investment companies; iii) commercial paper; iv) certificates of deposit; and v) high quality short term investments and interests in qualified state college tuition programs.
- They may not trade in securities of issuers that appear on our restricted list.
- They may not trade while in possession of material, non-public information.
- They may not engage in short-term trading (the purchase and sale or sale and purchase within 30 days) of any mutual fund advised or subadvised by any affiliated investment advisor.
- They must complete and keep current an annual conflicts of interest questionnaire concerning any potential conflicts.
- They must adhere to restrictions regarding the receipt and giving of gifts and entertainment.
- They may not profit from the purchase and sale or sale and purchase of the same Covered Security within 60 days.
- They may not purchase securities in initial public offerings or in connection with private placements except with the express written prior approval of our chief compliance officer.
- They may not participate in investment clubs.
- They must file quarterly reports and certifications of covered trading activity.
- They may not purchase or sell securities (subject to a de minimis threshold) for their own

account if such securities have been purchased or sold for a client account in the prior seven days or can reasonably be expected to be purchased or sold for a client account in the next seven days.

Further, we require “Investment Personnel” to adhere to additional provisions in the Code as described below unless an exemption is granted. Investment Personnel are defined as officers and employees who in connection with their regular functions make or participate in making recommendations regarding the purchase or sale of securities for client accounts (i.e., portfolio managers, traders and analysts):

- May not purchase or sell securities (subject to a de minimus threshold) for their own account if such securities have been purchased or sold for a client account in the prior seven days or can reasonably be expected to be purchased or sold for a client account in the next seven days.
- May not trade in uncovered options with respect to individual securities.

### **Participation or Interest in Client Transactions**

In the ordinary course of providing our investment advisory services, we may also recommend that our clients purchase or sell securities or interests in which we or our affiliates have a material financial interest. For example:

- We may recommend that our affiliates, New York Life and NYLIAC, buy or sell securities that may also be appropriate for the private investment funds that we manage. This may lead to conflicts of interest between our affiliated clients and our private investment funds.
- We may invest the capital of our affiliated accounts in the limited and general partner interests of the private investment funds we manage.
- The general partner of each of the private investment funds that we manage is an affiliate. A number of our employees and certain of our affiliates also invest in the general partners of these private investment funds (other than our credit fund and investor co-investment funds), and share in the performance-based compensation (known as carried interest) earned by such general partners. We make loans at an arms-length interest rate to our senior employees in order for them to fund a portion of their investment in our general partners.
- We have entered into, and in the future may enter into, strategic relationships pursuant to which we receive consulting fees and a share of a third party sponsor’s management fees and/or performance fees in connection with investments made with such sponsors on behalf of our affiliated separately managed accounts. In the event that we receive such fees, we will do so in accordance with the applicable agreements and regulations and make the appropriate disclosures in the context of each specific relationship, service or contract. Our private investment funds may invest in equity and mezzanine investments alongside sponsors in which we receive these fees; however, we do not have, nor do we expect to have, any voting rights or control with respect to a sponsor’s decision with respect to these investments and our private investment funds do not pay management fees or performance based fees to third party sponsors in connection with investments they make.

- We may permit certain of our officers and employees to invest in the private investment funds that we manage (other than our credit fund and investor co-investment funds). When an officer or employee is responsible for managing a private investment fund and an advisory separate account, such person has a conflict of interest in connection with investment decisions since the person may have an incentive to direct the best investment ideas to the fund in which he or she is invested or otherwise entitled to share in the fees received.
- Our mezzanine private investment funds may invest in the mezzanine securities of a portfolio company or our credit fund may invest in the second lien loans or other senior debt of a portfolio company when one of our existing equity co-investment funds, or one or more of our affiliates (including New York Life or NYLIAC), has invested in the same portfolio company's equity securities. As a result, our mezzanine private investment funds or credit fund, on the one hand, and clients that hold the equity securities, on the other hand, may have conflicting interests and investment objectives, particularly if the portfolio company is distressed, insolvent, or engaged in a restructuring or considering or entering bankruptcy. These conflicting interests may cause us to take actions that we otherwise would not have taken or refrain from taking actions we otherwise would have taken on behalf of our mezzanine investment fund, equity co-investment fund or New York Life and NYLIAC.
- As a general matter, we have restricted our mezzanine private investment funds and our credit fund from investing in the same portfolio company other than in circumstances where they own the same securities.
- We may recommend investments to our clients that the clients of our advisory affiliates also own.

As a result of these recommendations and potential transactions, potential conflicts of interest could arise between us and our clients. These potential conflicts include:

- Unfair allocation of limited investment opportunities between our affiliated and unaffiliated accounts.
- Preferential allocation of investment opportunities to our accounts that pay a performance-based management fee.

To mitigate these potential conflicts of interest, we have adopted a *Trading Practices and Allocation Policy* that governs allocations across client accounts. This policy requires us to treat each of our advisory clients in a manner consistent with our fiduciary obligations and prohibits us from favoring any particular account because of the ownership or economic interests of GoldPoint, its affiliates, or employees (see *Performance-Based Fees and Side-By-Side Management* above).

In cases where client accounts or private investment funds have overlapping mandates, and we make an allocation that favors one or more particular private investment fund or account over others, we disclose that fact to the private investment fund(s) and its investors or the account(s) receiving the less favorable allocation. When such conflicts do arise, they are mitigated by the fact that we often arrange for New York Life and NYLIAC to purchase and sell such securities at the same time and at the same price and terms at which our other clients purchase and sell such securities. Also, New York Life and NYLIAC are not typically offered an opportunity to purchase such securities until other accounts with a similar investment strategy have first been offered an

opportunity to purchase the full amount of such securities that they desire.

With respect to the conflicts that may arise when our mezzanine funds invest in the mezzanine securities of a portfolio company when one of our existing equity co-investment funds, or one or more of our affiliates has invested in the same portfolio company's equity securities, we note the following:

- The equity investments that we make on behalf of our clients are passive minority co-investments alongside a control sponsor. Our equity co-investment funds and affiliated clients typically own less than 10% of a particular portfolio company's equity securities, and therefore it is the control sponsor, and not our equity co-investment fund and affiliated clients, that engages in the upfront negotiations with lenders, oversees the management of the company post-closing, and leads any necessary restructuring efforts should the company become troubled during the life of the investment. While we have the right to participate on behalf of our equity co-investment funds and clients in a restructuring once it has been negotiated between the control sponsor and the lenders, we do not direct or control these restructuring activities.
- Additionally, in those instances where both our mezzanine and equity co-investment funds are investors in a particular portfolio company, we will ensure that there is either a third party mezzanine provider involved in the transaction (to confirm that the mezzanine investment has been made on market terms) or we will bring that transaction to the advisory committee of our mezzanine fund, except when no more than 10% of our mezzanine fund's aggregate capital commitments are invested in such transactions and the number of such investments is limited to two. We intend to obtain third-party validation or the approval of our mezzanine fund advisory committee for investments when this exception is used as timing allows. The voting members of the advisory committee for our mezzanine fund are comprised of non-affiliated third-party investors.
- Following the making of an investment where our mezzanine or credit funds on the one hand, and equity co-investment funds, on the other hand, are investors in a particular portfolio company, if the company becomes troubled, our investment team may split into two separate teams, with one team responsible for negotiating on behalf of our mezzanine funds or credit fund, as the case may be, and the other team responsible for negotiating on behalf of our equity co-investment fund. If appropriate, separate counsel or restructuring experts may also be hired.

In order to mitigate potential conflicts of interest with our affiliated investment advisers, we and our affiliated investment advisers operate independently of each other with respect to investment strategy, trading and operations. We are generally not privy to each other's information (i.e., investment decisions, research, client information) that may potentially raise conflicts of interest concerns. Specifically, we and our affiliated investment advisers have established information barrier policies designed to limit dissemination of material non-public information.

### **Item 12. Brokerage Practices**

In negotiating and consummating private investments, we do not select brokers to execute purchase transactions on behalf of clients.

Our private investment funds and separately managed accounts infrequently receive publicly traded equity securities as the result of a stock distribution, merger with a public company, a going public



transaction, or through a bankruptcy restructuring. If we elect to dispose of such securities, we will execute the transaction in a manner that we believe is in the best interests of our clients and in accordance with our best execution policy. We may use the services of our affiliated investment adviser, NYL Investors LLC, or third-party brokers, to sell these securities on behalf of our clients. Those firms execute the transactions consistent with obtaining best price and execution.

We generally do not use the services of an affiliated broker-dealer in conducting our business, with the exception of offering interests in our private investment funds to clients and to other investors through NYLIFE Distributors. Our registered employees receive no transaction-based compensation for selling interests in our private investment funds. We may, however, compensate NYLIFE Distributors as compensation for the efforts of FINRA registered employees of affiliated investment advisers in promoting the private investment funds that we manage.

#### *Allocation of Equity Co-Investments to Fund Limited Partners and Third Parties Policy*

From time to time, we may offer to existing and prospective investors in the funds and separate accounts that we manage, as well as to other third parties, the opportunity to co-invest in equity and mezzanine investments made by our funds if we deem it advisable in our sole discretion.

We have created two separate co-investment entities – one for investments alongside our mezzanine fund, and one for investments alongside our co-investment fund. These entities do not charge management fees or a performance-based fee. When offering a co-investment opportunity in accordance with our co-investment policy, we may, in our discretion, offer interests in these entities or offer the opportunity to invest directly in the same securities purchased by our equity and mezzanine funds.

Because of the potential for conflicts of interest that could arise with respect to the allocation of co-investments, any allocation of an investment opportunity to a co-investor is subject to the applicable provisions of fund partnership agreements, investor side letters, investment management agreements for our separately managed account clients and to our co-investment allocation policy. The allocation policy is intended to be consistent with, and to complement, the applicable provisions of such partnership agreements, side letters, investment management agreements and provisions in other agreements related to the funds and separately managed accounts. In particular, certain investors have expressed (or may express) an interest in participating in co-investment opportunities. Additionally, we are currently obligated to offer certain investors in our current mezzanine fund a pro rata portion of co-investment opportunities offered to other investors in the relevant fund. To the extent that the terms of our allocation policy are inconsistent with the terms of any such partnership agreement, side letter, investment management agreements or other applicable agreement, the terms of such agreement will govern. We may implement additional protocols we deem reasonably necessary to mitigate the potential for conflicts of interest that may arise with respect to the allocation of co-investments.

We may offer co-investment opportunities in fund investments to one or more third party co-investors that are not existing investors in our funds if we deem it advisable and in the best interests of the relevant fund or separately managed account, as applicable, regardless of whether we offer a given co-investment opportunity to our existing investors.

We maintain a list of all of our investors that have expressed interest in being presented co-investment opportunities. If we determine to offer a co-investment opportunity to one of our existing investors, we will take this list into consideration, but will not be required to offer co-investment opportunities to any particular investor in any particular instance (other than with

respect to certain investors in our current mezzanine fund that require that we offer a pro rata portion of co-investment opportunities offered to other investors in the relevant fund). Investors generally may transfer the opportunity to participate in a co-investment opportunity in whole or in part through their affiliates or third parties managing their co-investment rights.

As a general rule, an investor with a capital commitment of less than \$10 million to a fund will not be given a priority to receive offers of co-investment opportunity absent a demonstration by such investor of its ability to execute such a transaction in a timely manner and/or that its participation in the particular co-investment opportunity would otherwise add value to the fund.

When allocating a co-investment opportunity among our existing investors, we will consider, the allocation provisions set forth in the applicable partnership agreements, side letters, investment management agreements, other applicable agreements, and one or more of the following factors:

- an investor's interest in making co-investments (as communicated by the investor in side letter requests or otherwise expressly stated to us);
- an investor's ability to execute a transaction in a timely manner;
- the nature of the investor, including an investor's reliability and history of making co-investments;
- an investor's sophistication and experience in the relevant asset class, including a specialized knowledge or access that may enhance the value of the investment and/or the ability of the fund to consummate the investment;
- an investor's availability of funds with which to make the investment, including whether the investor has readily available resources (such as cash on hand or unconditional commitments of its investors) to make the investment and to support the investment following closing with any additional funding requirements (including follow-ons);
- an investor's creditworthiness and general reputation;
- whether there are any foreseeable restrictions related to the identity of an investor (e.g., tax, ERISA or regulatory restrictions) that could hinder or endanger the transaction; and
- any other matter that causes us to believe an investment by a particular co-investor would be in the best interest of the applicable fund.

If we reasonably determine that multiple investors satisfy the foregoing factors, we will generally allocate the opportunity on a pro rata basis according to demand.

#### *Internal Cross Transactions and Principal Transactions*

Internal cross transactions are trades between advisory client accounts. Principal transactions are trades between a client account and an account deemed to be owned by us. We reserve the right to effect cross transactions and principal transactions where we have determined it is in our clients' best interest to do so pursuant to an investment management agreement or other governing legal documents. When coordinating cross transactions, however, we face an inherent conflict, as two advisory client accounts represent both sides

of the trade and the we generally have the ability to influence the price at which the trade occurs for both clients. When we effect cross transactions, we do so in accordance with our Cross Trading Policy and Procedures. Our Cross Trading Policy and Procedures requires, among other things, a determination that the transactions are done for bona-fide investment purposes and are in the best interest of both clients.

### **Item 13. Review of Accounts**

- A. We review our clients' investments and accounts on a regular basis. We believe that active monitoring of investments is critical to the successful performance of our private investment funds and separately managed accounts. The investment professionals assigned to the investment for any given transaction typically maintain frequent contact with both company management and the core partner sponsor, attend board meetings as appropriate, and conduct regular financial reviews. Each investment team typically consists of two managing principals, one principal, and one senior associate or associate. Financial performance is analyzed and tracked against our original underwriting case and disseminated among the managing principals in ongoing monitoring reports. In addition, we maintain a portfolio scorecard that highlights those investments that require special attention or review. These investments are then reviewed in detail at our quarterly portfolio review meetings and through frequent interactions with both the company's management and the core partner sponsor.
- B. A client account would be reviewed other than on a periodic basis if one of the following situations were to arise:
- if a client were to approach us regarding a potential change to the strategy employed for its separately managed account; or
  - in response to our own review and evaluation of an investment sector or current portfolio exposures, we consider a change to a strategy for one of our separately managed accounts or private investment funds.
- C. Our clients receive regular written reports on the following schedule:
- Investors in our funds-of-funds, mezzanine funds, equity co-investment funds, private fund and investor co-investment funds that we manage receive quarterly reports that include unaudited financial statements for the applicable fund and detailed write-ups on the investment portfolio companies, as well as annual audited financial statements. In addition, the investors in our funds-of-funds, mezzanine funds and equity co-investment funds receive annual meeting presentation reports, and investors in the equity co-investment funds receive management reports with respect to each fund investment and the fund's carrying values of such investments.
  - We prepare weekly cash activity reports and quarterly portfolio reviews for our affiliated clients, New York Life and NYLIAC, in respect of their investment portfolios. The quarterly portfolio reviews are delivered to an affiliate, New York Life Investments, which then distributes this information, together with other financial information, to New York Life and NYLIAC. We also prepare and deliver to New York Life and NYLIAC a quarterly schedule of market values and remaining commitments for each of the investments made by us on behalf of New York Life's and NYLIAC's general account portfolios.
  - We prepare quarterly portfolio performance and review reports for certain other separate

accounts that we manage on behalf of our affiliates, including for affiliated pension and retirement trusts.

- D. Pursuant to a service agreement with New York Life, GoldPoint's Chief Compliance Officer is a member of the New York Life Corporate Compliance Department, and with assistance from members of the New York Life Corporate Compliance Department and attorneys at New York Life Office of General Counsel, is responsible for the oversight and maintenance of the compliance function at GoldPoint.

GoldPoint is an investment adviser registered with the SEC under Section 203 of the Investment Advisers Act of 1940 (the Advisers Act). As a registered investment adviser and pursuant to Rule 206(4)-7 under the Advisers Act, it is unlawful for us to provide investment advice to clients unless we: (i) have written policies and procedures in place that are reasonably designed to detect and prevent violations of the Advisers Act; (ii) review no less frequently than annually, the adequacy of our policies and procedures and the effectiveness of their implementation; and (iii) designate a Chief Compliance Officer responsible for administering the policies and procedures under the Rule. Pursuant to the Rule, we have put in place a comprehensive program that includes written policies and procedures that are reasonably designed to detect and prevent violations of the Advisers Act and other governing laws and regulations. Such policies and procedures include those relating to investment and allocation practices, code of ethics, personal trading, information barrier, books and records, sales and marketing, valuation, proxy voting, anti-money laundering, privacy and business continuity (the Compliance Program).

As part of the Compliance Program, Compliance maintains an assessment calendar that provides for a portion of our policies and procedures to be assessed by calendar quarter. Testing criteria includes ensuring that each policy and procedure properly reflects current implementation practices and applicable rules and regulations. Procedures are revised as needed throughout the year to better reflect implementation practices or to reflect changes in applicable laws and regulations. The results of these reviews, including procedural revisions, are reported to GoldPoint's Compliance Committee and Board of Managers on a bi-annual basis.

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

From time to time, we may enter into arrangements with our affiliated broker-dealer, NYLIFE Distributors, with whom certain employees of our affiliated investment advisers are also registered as representatives. In connection with these arrangements, we may pay a fee and transaction-based compensation to NYLIFE Distributors as compensation for the efforts of the registered employees of our affiliated investment advisers in selling, or promoting the sale of, interests in our private investment funds.

From time to time, we may enter into arrangements with our affiliated investment advisers to recommend clients to each other. If we pay a cash fee to anyone for soliciting clients on our behalf or if we receive a cash fee from another investment adviser for recommending clients to it, we will comply with the requirements of the SEC's cash solicitation rule to the extent that they apply. This rule requires a written agreement between the investment adviser and the person soliciting clients on its behalf. The rule also requires that the soliciting person provide a disclosure document to the potential client at the time that the solicitation is made. As required by the rule, we will not engage another person to solicit clients on our behalf if that person has been subject to securities regulatory or criminal action within the preceding ten years.

Outside of selling private investment funds to our clients and other investors, we generally do not use broker-dealers that are affiliated with us in executing securities transactions for our clients.

### **Item 15. Custody**

With respect to the separate accounts that we manage, we do not consider the assets of our affiliates, New York Life and NYLIAC, to be in our custody.

We are deemed to have indirect custody of the assets of our funds by virtue of our (or our affiliates') role as general partner or investment manager to these funds. We provide investors in our funds with audited financial statements within 120 days from the end of each fiscal year (or 180 days in the case of our funds-of-funds). Investors should carefully review those statements. As a result, these funds' custodians are not required to supply separate monthly account statements to investors, and we are not required to engage an independent public accounting firm to conduct an annual surprise audit of our operation, as would otherwise be required by rules under the Investment Advisers Act of 1940.

### **Item 16. Investment Discretion**

Other than our credit fund, we accept discretionary authority to manage securities accounts on behalf of our clients, both in respect of separately managed accounts and of our private investment funds.

A separate investment management agreement is executed by us and by the authorized client signatory for each separately managed account. These agreements confer limited investment discretion to us as investment manager, as well as set forth the investment guidelines applicable to such accounts.

Either a limited partnership agreement or a separate investment management agreement is executed by us and the general partner of each private investment fund we manage on behalf of itself and on behalf of each investor in the relevant fund pursuant to a power of attorney granted by the investors in their subscription documents for the relevant fund. These agreements appoint us as investment manager of the relevant fund and (other than with respect to our private fund) confers discretionary authority to the fund's general partner and us as investment manager of the fund. The terms of these agreements are negotiated in good faith by us and the investors in our private investment funds. Some investors negotiate side letters with the general partners and the fund in which they are investing, which typically set forth additional limitations on our authority with respect to such investor, or to the relevant fund as a whole. Additionally, some large investors enter into separate investment vehicles on more favorable economic terms than the investors in certain of our primary funds. These separate investment vehicles generally invest pro rata on a side-by-side basis with these primary funds based upon the size of the primary fund and the size of the separate investment vehicle.

### **Item 17. Voting Client Securities**

In the course of our direct investing activities, we typically invest in private companies, not public ones. Therefore, we generally are not called upon to vote securities on behalf of clients.

However, in the event that we are called upon to vote securities on behalf of a client, we have

adopted proxy voting policies and procedures that are reasonably designed to ensure that where clients have delegated proxy voting authority to us, all proxies are voted in the best interest of such clients without regard to our interests or those of our affiliates.

Where clients (whether separately managed accounts or one of our private investment funds) have delegated authority to vote proxies to us, we will vote these proxies in accordance with the recommendation of Institutional Shareholder Services (ISS), which provides proxy research voting recommendation services. For clients or investments that provide us with proxy voting guidelines different from the ISS Guidelines, we will make voting determinations in accordance with such modified guidelines.

To override an ISS recommendation, one of our managing principals must submit a written override request to our chief compliance officer. Our procedures require that the chief compliance officer review each such override request for potential material conflicts of interest between our clients, on the one hand, and us and our affiliates, on the other. In the event that our chief compliance officer determines that a material conflict exists, the matters will be referred to our proxy voting committee for appropriate resolution.

A copy of our proxy voting policies and procedures or information as to how proxies were voted for securities held in their account is available upon request. Our contact information appears on the cover page of this brochure.

### **Item 18. Financial Information**

At this time, GoldPoint is not required to file a balance sheet for its most recent fiscal year because it does not require or solicit prepayment of more than \$1,200 in fees per client six months or more in advance. GoldPoint has no financial condition that impairs its ability to meet contractual commitments to clients, and has never been the subject of a bankruptcy proceeding.

### **Item 19. Requirements for State-Registered Advisers**

We are not registered with any state securities authorities.