

BROCHURE
(Form ADV Part 2A)



R A I N E C A P I T A L L L C

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This Brochure provides information about the qualifications and business practices of Raine Capital LLC (“Raine”). If you have any questions about the contents of this Brochure, please contact us at (212) 603-5500 or by email at legal@raine.com. 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, and references in this Brochure to Raine as a “registered investment adviser” are not intended to imply a certain level of skill or training. This Brochure is for informational purposes only. It does not convey an offer of any type and is not intended to be, and should not be construed as, an offer to sell, or the solicitation of an offer to buy, any interest in any entity, investment or investment vehicle. Additional information about Raine is also available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 2 – MATERIAL CHANGES

There are no material updates in this Brochure since its last annual update dated March 30, 2021.

Raine routinely makes changes throughout its Brochure in an effort to improve and clarify the descriptions of its and its affiliates' business practices and compliance policies and procedures and in response to evolving industry and firm practices.

Current and prospective investors are urged to review the Brochure in its entirety.

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ITEM 4 – ADVISORY BUSINESS

Item 4.A – Advisory Firm

Raine Capital LLC, a Delaware limited liability company, is an investment advisory firm based in New York, New York that was founded in 2009 by industry veterans Joseph Ravitch and Jeffrey A. Sine. Raine Capital LLC is registered as an “investment adviser” under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Raine also maintains offices in Los Angeles, San Francisco, London, Shanghai and Mumbai. Registration does not imply a certain level of skill or training.

Raine typically provides investment advisory services on a discretionary basis to certain closed-end private investment funds and certain open-end private investment funds. Specifically, Raine primarily provides investment advice to the Raine PE Funds and to the Raine Hedge Funds (each as defined below) as well as certain special purpose investment vehicles and/or managed accounts that may co-invest alongside the Raine Funds (as defined below) in the same portfolio companies in which the Raine Funds invest. The Raine co-investment vehicles (as defined below) are formed from time to time, in Raine’s discretion, for the purpose of permitting (i) certain investors in the Raine Funds to increase, on a discretionary basis, the amount that they invest in certain portfolio companies in which the Raine Funds are investing and/or (ii) one or more third parties that are not investors in the Raine Funds to invest alongside the Raine Funds in certain portfolio companies in which the Raine Funds are investing. Generally, unlike the Raine Funds, each Raine co-investment vehicle is established for the specific purpose of making an investment (and any related follow-on investment) in one specific portfolio company in which a Raine Fund is investing. Accordingly, once established, a Raine co-investment vehicle typically will not make investments in additional portfolio companies.

Raine is a wholly owned subsidiary of The Raine Group LLC, a Delaware limited liability company, which is principally owned by Raine Holdings LLC. Joseph Ravitch and Jeffrey A. Sine are the principal owners of Raine Holdings LLC.

As used in this Brochure:

- “Raine,” “Manager,” “we,” “us” and “our” refer to Raine Capital LLC and its investment advisory business;
- the “Raine Group” refers to Raine Holdings LLC, Raine Holdings AIV LLC and their controlled affiliates;
- the “Raine broker-dealer” refers to Raine Securities LLC;
- the “Raine Growth Funds” refers to those closed-end private investment funds managed by Raine that follow a “growth equity” investment strategy, together with any parallel and alternative investment vehicles relating to them;
- the “Raine Gaming Fund” refers to a closed-end private investment fund managed by Raine that follows an investment strategy focused on early-to-mid growth-stage companies across the gaming sector globally, together with any parallel and alternative investment vehicles relating to them;
- the “Raine Venture Funds” refers to those closed-end private investment funds managed by Raine that follow a “venture capital” investment strategy, together with any parallel and alternative investment vehicles relating to them;

- the “Raine PE Funds” refers to the Raine Growth Funds, the Raine Gaming Fund and the Raine Venture Funds;
- the “Raine Funds” refers to the Raine PE Funds and the Raine Hedge Funds;
- the “Raine co-investment vehicles” refers to special purpose vehicles to co-invest alongside the Raine PE Funds or the Raine Hedge Funds in certain portfolio companies;
- the “Raine PE Clients” refers collectively to the Raine PE Funds and the Raine co-investment vehicles that invest alongside the Raine PE Funds;
- the “Raine Hedge Funds” refers collectively to those open-end private investment funds managed by Raine and any parallel and alternative investment vehicles relating to them;
- the “Raine Hedge Clients” refers collectively to the Raine Hedge Funds and the Raine co-investment vehicles that invest alongside the Raine Hedge Funds;
- the “Raine clients,” “its clients,” “our clients,” “advisory clients” and the “Raine investment vehicles” refer to the Raine PE Clients and the Raine Hedge Clients, and any future private fund, co-investment vehicle or managed account sponsored or managed by Raine, as the context requires;
- “investors” refers to investors in the Raine PE Clients and/or the Raine Hedge Clients, as applicable;
- the “General Partner” or the “Managing Member” refers to any affiliate of Raine that currently serves as, or that may be formed to serve as, the general partner or managing member, as applicable, of any Raine PE Client or Raine Hedge Client or of any parallel or alternative investment vehicle of any such funds;
- “portfolio companies” refers to any company in which any Raine PE Client or Raine Hedge Client holds an investment; and
- the “principals” refers to Joseph Ravitch and Jeffrey A. Sine.

Item 4.B – Types of Advisory Services Offered

Raine PE Clients

Our private equity business focuses on advising the Raine PE Clients in making opportunistic investments in the equity or debt of operating companies in the TMT sectors, primarily focused on technology, entertainment, sports, gaming, lifestyle, digital media and internet, with the primary differences between the Raine Growth Funds, the Raine Gaming Fund and the Raine Venture Funds being the size of the investments, as described later in this paragraph, and the growth stage of the companies invested in. Most operating companies in which the Raine PE Clients invest are privately held. As provided in its governing documents, each Raine PE Fund may invest a small portion of its assets in passive, open-market investments in publicly traded securities and in portfolio companies that are not in or related to our core sectors. We currently anticipate that the average size of an investment made by (i) the Raine Growth Funds will be between \$50 million and \$100 million, (ii) the Raine Gaming Fund will be between \$10 million and \$25 million and (iii) the Raine Venture Funds will be between \$250,000 and \$5 million for initial investments, with fully-scaled positions of up to 10% of total commitments to the applicable Raine Venture Fund. We also expect that each Raine PE Fund will have the ability to pursue larger transactions (often significantly larger), where appropriate, generally by offering co-investment opportunities (as discussed below).

Raine Hedge Clients

Our public markets business focuses on advising the Raine Hedge Clients in seeking to invest opportunistically in the communications infrastructure subsector of TMT. In the public markets, we expect the Raine Hedge Funds to invest primarily in long and short positions in publicly-traded equity securities (although the Raine Hedge Funds may also invest in options and other derivatives as well as credit instruments) that we believe to be sufficiently liquid to meet the Raine Hedge Funds' investment objectives. The Raine Hedge Funds will pursue investments that include growth, value and event-driven ideas. Additionally, the Manager expects to complete a restructuring imminently whereby the Raine Hedge Funds will be permitted to allocate up to 25% of available capital, on an opt-in basis and calculated separately for each investor, to private investment opportunities in the communications infrastructure subsector of TMT. In the private markets, the Raine Hedge Clients will invest in growth-stage opportunities that the Manager believes represent focused, targeted bets across key areas that are poised for growth.

Raine expects the Raine Hedge Funds to hold a concentrated portfolio of investments based on Raine's strongest ideas within the communications infrastructure theme. With respect to publicly-traded investments, portfolio positions will be sized relative to Raine's level of conviction in such positions, including its belief as to the level of potential returns, any potential downside and the "margin of safety" that Raine believes exists in the then-current price of a security.

On the long side, Raine typically expects to focus on a multi-year investment thesis, investing opportunistically when Raine believes that securities are attractively priced relative to the mid-to-long term prospects of the portfolio company. In evaluating potential long investments, Raine considers such factors as the strength of the company's management team, the overall market opportunity for the company, competitive forces, historical and expected revenue growth and margins, free cash flow conversion and capital uses and demands.

Short investments represent an important part of the Raine Hedge Funds' portfolio. Raine expects to make single name short investments that it believes can drive returns (in addition to acting as a natural hedge to long positions). Raine believes that, given their different risk profile (e.g., M&A risk), short positions must be both analyzed and managed differently than long positions. On the short side, Raine expects to typically focus on a short- to mid-term investment thesis, avoiding short investments based solely on valuation criteria (i.e., if the stock looks overpriced) and instead focusing on companies that Raine

believes are facing strong, cyclical or secular headwinds and lack the ability to shift their business model to address these challenges.

For private investments by the Raine Hedge Clients, Raine is focused on assessing risk-reward analysis for each potential investment, including higher underwriting thresholds and potential returns for early-to-mid growth-stage companies.

Co-investment Vehicles

Raine offers co-investment vehicles to investors in such Raine Fund and/or one or more third parties that are not investors in such Raine Fund. Raine offers co-investment opportunities and makes allocations to particular investors in its full discretion. Generally, subject to the terms of the governing documents of a Raine co-investment vehicle and its related Raine Fund, a Raine co-investment vehicle is contractually required, as a condition of its investment, to exit its investment in any particular investment opportunity at the same time and on the same terms as its related Raine Fund. Additionally, subject to the relevant terms of its governing documents, a Raine co-investment vehicle will typically make initial and, where applicable, follow-on investments in a single portfolio company (or a single group of related portfolio companies) and will typically not invest in additional portfolio companies unrelated to the portfolio company comprising the initial investment.

General

We provide investment advice to our clients regarding the selection, monitoring and realization of each client's investments. The relationship between us and each client is governed by the governing documents of each client and the terms of investment advisory agreements between us and each client. Investments in the Raine clients are privately offered only to qualified investors, typically institutional investors and eligible high-net-worth individuals.

The investment advice we provide to our clients is limited to the investment programs conducted by each Raine client.

Item 4.C – Services Tailored to Individual Needs of Clients

Our advisory services are tailored to the investment strategies of our clients. As investment advice is provided directly to the respective Raine investment vehicles and not individually to investors, we do not tailor our advisory services to the individual needs of investors. Investment restrictions are imposed in the governing agreements for the Raine investment vehicles, as specifically negotiated with investors. These terms may and, in certain cases, do restrict our advice concerning investments in certain securities, geographies, or sectors, concentration limits or leverage, among others. Raine co-investment vehicles are typically established to invest alongside the Raine Funds in certain investment opportunities, in accordance with any applicable allocation restrictions in the relevant governing documents. In circumstances where an entire investment could be made by a Raine Fund, Raine may still allocate a portion of such investment to one or more Raine co-investment vehicles in accordance with such fund's governing documents and Raine's internal policies and procedures if Raine believes in its good faith judgment that the full investment would result in suboptimal diversification of the applicable fund or that a particular co-investor would add value to the fund or the investment.

Raine and its affiliates have entered (and may in the future enter) into agreements, or "side letters," with investors whereby such investors may be subject to terms and conditions that vary from, and may be more favorable than, those applicable to other investors. Any such terms and conditions may (without limitation) relate to (i) opt-outs relating to particular investments, (ii) reporting obligations, (iii) transfers to affiliates, (iv) participation in co-investment opportunities, (v) withdrawal rights, (vi) consent rights to certain governing document amendments, (vii) payment of management fees, carried interest and/or

incentive allocation, or (viii) representation on a Raine investment vehicle's limited partner advisory committee (or equivalent thereof).

Raine and its affiliates have permitted (and may in the future permit) certain business associates and "friends and family" of the Manager, the Raine Group or the senior investment professionals to invest directly or indirectly in the Raine investment vehicles on terms that may be more favorable than those offered to other investors, including with respect to the payment of management fees, carried interest and/or incentive allocation. In some cases, private equity professionals or other services professionals from other investment firms are and may in the future become investors in the Raine investment vehicles.

Item 4.D – Wrap Fee Programs

Raine does not participate as manager or investment advisor in any wrap fee programs.

Item 4.E – Client Assets

Raine manages approximately \$4,077,100,000 (calculated based on "Regulatory Assets Under Management" as defined by the United States Securities and Exchange Commission ("SEC")), all on a discretionary basis. This number is provided as of December 31, 2020 for all Raine investment vehicles. Raine does not manage any assets on a non-discretionary basis.

ITEM 5 – FEES AND COMPENSATION

Item 5.A – Fees

General

Raine is generally compensated for advisory services through asset-based management fees. In addition, Raine or certain of its affiliates receive performance-based compensation.

The fees applicable to each Raine investment vehicle are set forth in detail in each Raine investment vehicle's offering documents and governing agreements and are generally not negotiable by investors.

The calculation of fees payable by investors is complex and investors are advised to carefully review the terms set forth in the offering documents and governing agreements of the applicable Raine investment vehicle.

Raine may reduce or waive the management fees described below with respect to any investor in any Raine investment vehicle. In particular, Raine and its personnel, as well as certain business associates and "friends and family" of the Manager, the Raine Group or the senior investment professionals, are not required to pay management fees, carried interest and/or incentive allocation (as defined below).

Please see Item 6 for a description of performance-based compensation, carried interest or incentive allocation that may be payable by a Raine investment vehicle to the General Partner or Managing Member, as applicable.

Raine PE Funds

With respect to the Raine PE Funds, in general, management fees are payable quarterly in advance, are initially equal to 2.0% per annum of an investor's capital commitment to the relevant Raine PE Fund and are typically reduced upon the occurrence of certain events set forth in the applicable partnership agreement. With respect to the Raine Growth Funds and Raine Gaming Fund, the management fee is

reduced to 1.5% per annum of invested capital upon the earliest to occur of the expiration of the commitment period, the date on which management fees for a subsequent investment fund with a substantially similar investment mandate begin to accrue, and the date such fund makes its first investment. In the case of the Raine Venture Funds, upon the expiration of the commitment period or, if earlier, upon the formation of (or the initial capital call from) a subsequent investment fund with a substantially similar investment mandate, the management fee is typically reduced to 2.0% per annum of invested capital until the 10th anniversary of the initial closing date and thereafter for the remainder of the term, to 1.5% per annum of invested capital.

As permitted under the governing documents of the Raine PE Clients, Raine may elect to forego a portion of the management fee in favor of a right (a) to receive a priority interest in future distributions of the relevant Raine PE Client profits equal to the waived amounts or (b) to cause the investors to contribute such waived amounts to such Raine PE Client on Raine's behalf, which reduces the amount of capital Raine would otherwise be required to contribute to such Raine PE Client.

Raine Hedge Funds

With respect to the Raine Hedge Funds, Raine will generally receive on a quarterly basis a management fee equal to 0.3125% (or an annualized rate of 1.25%) of the net asset value of each capital account attributable to investors on a pro rata basis.

Co-Investment Vehicles

With respect to Raine co-investment vehicles, any fees to be received by Raine are negotiated on a vehicle-by-vehicle basis but may include asset-based fees and expense reimbursements or non-advisory administrative fees. Generally, any such management fees are payable quarterly in advance by a Raine co-investment vehicle and are equal up to 2.0% per annum of an investor's capital contribution to the applicable Raine co-investment vehicle, except that an investor in the Raine Funds that participates in a Raine co-investment vehicle typically does not pay management fees on capital contributions made to the applicable Raine co-investment vehicle.

Item 5.B – How Fees are Billed

Management fees are generally payable quarterly in advance. With respect to the Raine PE Funds and the Raine co-investment vehicles, management fees are paid (i) by capital contributions from investors to the Raine PE Funds or any applicable Raine co-investment vehicle pursuant to capital call notices delivered by the applicable General Partner or Managing Member, (ii) out of cash otherwise distributable to the investors, including when a portfolio investment is sold and the proceeds are distributed to investors, or (iii) by drawing down on such client's Credit Facility (as defined and further discussed below).

With respect to the Raine Hedge Funds, management fees generally are paid out of the assets of each Raine Hedge Fund and are deducted as an expense from each investor's capital account (excluding any investors for which Raine has waived the payment of management fees). In the event that new capital contributions are received on a date other than the first business day of a calendar quarter, a pro rata portion of the quarterly management fee will be paid to Raine based on the number of months remaining in such partial calendar quarter (including the month such capital contribution is made). In the case of an investor that has fully withdrawn from a Raine Hedge Fund other than that portion of the investor's investment allocated to private investments, the applicable management fee will be (i) debited from an expense reserve established at the time of such withdrawal, (ii) after such expense reserve is exhausted, charged directly to the investor and (iii) if such investor fails to pay the management fee due, debited from subsequent withdrawal proceeds that would otherwise be paid to such investor.

With respect to performance compensation, “carried interest” for the Raine PE Funds and the Raine co-investment vehicles is allocated periodically according to each client’s governing agreements (as discussed further in Item 6 below), and is paid out in the discretion of the applicable General Partner or Managing Member. These fees are typically paid out of cash otherwise distributable to investors, such as proceeds received by the applicable client from the disposition of a portfolio investment.

For the Raine Hedge Funds, as of the end of each fiscal year, a percentage of the net capital appreciation allocated to each investor’s capital account for such fiscal year (excluding unrealized net capital appreciation in private investments but including private investment income) is reallocated to the capital accounts of the General Partner; provided, however, that the net capital appreciation upon which the calculation of the incentive allocation is based will be reduced to the extent of any unrecovered balance remaining in the Loss Recovery Account (as defined below) maintained for such investor. In other words, the General Partner will be entitled to receive an incentive allocation on a “high water mark” basis.

Item 5.C – Other Fees and Expenses

Raine PE Funds

With respect to the Raine PE Funds, Raine or its affiliates have received or may in the future receive certain of the following: customary break-up and topping fees, commitment fees, monitoring and directors’ fees and transaction, financing, divestment and other similar fees from portfolio companies as compensation for financial advisory and similar services. A certain portion of these fees received by Raine or its affiliates may offset the management fees otherwise payable by investors. These potential fee arrangements are disclosed in the offering documents and/or governing agreements of each Raine PE Fund and any applicable Raine co-investment vehicle.

In addition to paying management fees and, if applicable, performance compensation, the Raine PE Funds and Raine co-investment vehicles (and therefore investors) are also subject to other costs and expenses related to their respective activities (to the extent not reimbursed by a portfolio company) and, to the extent incurred by Raine or any of its affiliates, are required to reimburse Raine and its affiliates for such costs and expenses. Such costs and expenses may include (but are not limited to): (i) offering and organizational expenses up to a certain monetary threshold; (ii) expenses incurred in connection with the discovery, investigation, development, evaluation, acquisition, management, monitoring or disposition of investments (whether or not consummated (and for the case of investors of the Raine PE Funds, all such fees, costs and other expenses associated with potential investments that are not consummated, including amounts that may have been attributable to co-investors or Raine co-investment vehicles if such investments had been consummated)), including (1) placement, private placement, syndication and solicitation fees, arranger fees, sales commissions, appraisal fees, taxes, brokerage fees, underwriting commissions and discounts, and legal, accounting, investment banking, consulting, information services and professional fees and bank charges, and related expenses (including expenses incurred by the Raine Group that are associated with services provided by it to the applicable client in respect of one or more portfolio companies in connection with the Raine Group’s advisory, consulting or other businesses where such expenses are not reimbursed by the portfolio company or prospective portfolio company) and (2) due diligence, research and investment-related travel expenses (including first class or business class travel in accordance with Raine’s travel and expense policies for employees); (iii) expenses of administrators, custodians, brokers, outside counsel, economic advisors, tax advisors, valuation experts, sourcing persons and advisors, senior advisors, auditors, accountants and other professionals (including in relation to calling capital from and making distributions to clients or investors, the administration of assets, financial planning and treasury activities); (iv) expenses relating to compliance with tax or regulatory requirements applicable to the Raine clients and/or relating to their operation, including relating to the preparation and distribution of financial statements, tax returns, Schedule K-1s (or equivalent form) and other fund and portfolio company reporting to investors (including printing costs and investor data management and portfolio company reporting services), software expenses (including information technology and valuation and

accounting software and platforms and third-party diligence software and service providers) and expenses incurred in connection with regulatory filings (including preparation and filing of Form PF pursuant to the Advisers Act, filings with the CFTC, as applicable to each client, registration as a “private fund” with the Cayman Islands Monetary Authority or under the Cayman Islands Private Funds Law, 2020 (as amended), the Manager’s compliance obligations arising from the European Union’s Directive 2011/61/EU on Alternative Investment Fund Managers (and any successor legislation as may come into effect in jurisdictions that withdraw from the European Union), and anti-money laundering laws and regulations, as applicable to each client); (v) any insurance, indemnification, audit, investigation, governmental inquiry, public relations inquiry or litigation expenses (including expenses of any judgment or settlement related thereto); (vi) any taxes, fees or other governmental charges payable in connection with the operation of or levied against each applicable client or their respective subsidiaries or their respective income or assets or in connection with their respective business operations; (vii) expenses relating to defaults by investors in the payment of any capital contributions; (viii) fees, costs and expenses relating to transfers of interests or permitted withdrawals of investors (excluding those expenses borne by the relevant client); (ix) expenses or liabilities incurred in connection with the documentation and operation of the clients (including in connection with any amendments, restatements or other modifications to, and compliance with, the applicable partnership agreements, the management agreements, side letters or any other related documents of the clients and affiliated General Partners or Managing Members, including the solicitation of any consent, approval, waiver or similar acknowledgment from limited partners and/or limited partner advisory committees, and preparation of other materials in connection with compliance (or monitoring compliance) with such documents); (x) expenses incurred in connection with the formation of any special purpose vehicles, alternative investment vehicles (AIVs) or other vehicles; (xi) expenses incurred in connection with any meetings of or with one or more investors (including any limited partner advisory committee meetings and its related expenses of members and observers (including of accommodations, meals, events and entertainment and fees, costs and other expenses associated with any legal counsel or other advisors)) or the Raine Group’s advisory board, with certain restrictions set forth in each fund’s governing documents; (xii) fees, costs and other expenses relating to the implementation of, and compliance with, legal, regulatory, environmental, social, governance and other similar standards applicable to the clients, their investments and potential investments, including diligence and any requirements relating to those standards that may be set forth in certain side letters; (xiii) fees, costs and other expenses relating to the clients’ borrowing, such as interest, commitment fees, upfront fees, legal fees and other fees and expenses; and (xiv) all third-party fees, costs and other expenses related to the foregoing.

Raine Hedge Funds

With respect to the Raine Hedge Funds, in addition to paying management fees and, if applicable, any performance compensation, each Raine Hedge Fund bears the expenses of its operations such as investment expenses (e.g., brokerage commissions, short sales costs, clearing and settlement charges, custodial fees, hedging expenses, bank service fees, prime broker fees, interest expenses and expenses related to the formation and maintenance of any vehicles formed to effect or facilitate the acquisition of any investment); financing costs; due diligence, research and investment-related travel expenses (for both consummated and unconsummated investments); legal expenses; professional fees relating to investments; accounting expenses; auditing and tax preparation expenses; valuation expenses (including the cost of third-party valuation agents); administrative expenses; cost of software (including the fees of third-party software developers) used by Raine to track, monitor and account for investments; expenses related to monitoring the Raine Hedge Funds’ compliance with applicable law; insurance expenses; expenses (including travel expenses) incurred in connection with the formation, organization and initial marketing, offering and sale of interests in that Raine Hedge Fund to investors up to a certain monetary threshold; any taxes and duties payable in any jurisdiction in connection with the operation of that Raine Hedge Fund; fees and expenses of the administrators and other agents or service providers; extraordinary expenses (including litigation, indemnification and contribution expenses); and all other expenses and/or liabilities incurred in connection with the operation of that Raine Hedge Fund (including in connection with the ongoing marketing, offering and sale of interests in that Raine Hedge Fund, including travel expenses related thereto) consistent with

the governing documents of that Raine Hedge Fund and Raine's expense allocation policies. All references to travel-related expenses herein may include first-class or business-class travel in accordance with Raine's travel and expense policy for employees. Please see Item 12 for additional disclosure regarding brokerage practices.

Allocation of Partnership Expenses

Expenses pertaining directly to a single Raine client will be charged to that particular client. If any expenses are associated with two or more Raine clients, such expenses will be allocated amongst the relevant clients in good faith. In circumstances where expenses are associated with multiple Raine Funds, such expenses will typically be allocated on a pro-rata basis, based on the relative aggregate capital commitments or assets under management, as applicable, of such Raine Funds, but Raine may vary this approach in a particular instance if another method is more equitable. An example of shared costs requiring allocation includes Raine's annual investor meeting addressing the investors of multiple Raine investment vehicles. Raine allocates such shared costs across the applicable Raine investment vehicles in a manner it determines to be reasonable and fair to all parties.

Additionally, in circumstances where one or more co-investment vehicles invest alongside a Raine Fund, or where two or more Raine Funds invest alongside each other, into a specific investment, direct costs pertaining to such investment will typically be allocated amongst such Raine Fund(s) and/or the applicable co-investment vehicles on a pro-rata basis, based on the relative share of invested capital in such investment of such Raine Fund(s) and the applicable co-investment vehicles; provided that in certain cases, potential co-investors will not bear any subscription credit facility fees and expenses, which are generally allocated to the applicable Raine Fund that is the borrower under such facility. In addition, in certain cases, a Raine fund will bear expenses in respect of an existing or prospective investment that will not be borne by other owners or investors in such portfolio company (including co-investors or co-investment vehicles), where Raine has determined such arrangement to be in the best interest of such Raine Fund (e.g., a Raine Fund engages or pays for a consultant for services in respect of a portfolio company without reimbursement by other owners of the portfolio company). Typically, where a proposed co-investment transaction is not consummated, no co-investment vehicle will have yet been formed. As such, absent a written agreement with a specific prospective co-investor to the contrary that obligates such person to bear a share of the relevant expenses relating to an unconsummated co-investment transaction, the full amount of the expenses relating to any such unconsummated co-investment transaction will typically be borne by the Raine Fund(s) selected by Raine for participation in such proposed transaction.

Further, as also discussed in Item 10 below, the Raine broker-dealer and its affiliates from time to time provide a broad spectrum of financial advisory and consulting services to certain portfolio companies of one or more Raine investment vehicles, including investment banking, lending, financial and merger and acquisition advisory services, underwriting, acting as selling group participant, acting as private placement agent, business consulting, operational support and similar activities. No Raine investment vehicle will share in any fees or other benefits, whether by fee offset or otherwise, that accrue to the Raine broker-dealer and its affiliates for its role in any transaction or its provision of any consulting or other services, whether or not related to a portfolio company. In addition, to the extent that expenses incurred by the Raine broker-dealer and its affiliates in connection with any engagement by or in respect of a portfolio company are not reimbursed by the portfolio company, such expenses will be charged to the applicable Raine investment vehicles, consistent with the governing documents of such Raine investment vehicles and Raine's expense allocation policies. However, to the extent the Raine broker-dealer and its affiliates incur typical "business development" expenses in connection with proposing to provide financial advisory or consulting services to a portfolio company, such expenses will generally be borne by the Raine broker-dealer and its affiliates or by the relevant portfolio company.

Senior Advisors

Raine has hired, and may continue to hire, third-party consultants throughout the Raine clients' investment processes, including senior advisors who are typically former senior executives with operating experience and industry-specific knowledge. Senior advisors are generally individuals with extensive experience in Raine's core sectors of focus; they play an important role in how Raine manages its portfolio and may assist with a variety of activities, including market research, new investment identification, pre-investment business diligence and post-investment value creation. Senior advisors are consultants and, as such, are generally not treated as employees of Raine, although senior advisors may be considered employees for administrative or other purposes. Through Raine's relationships, Raine may make its senior advisors available to clients' portfolio companies. As such, senior advisors are not Raine's affiliates for purposes of the governing documents of each client and certain restrictions and conditions of the applicable governing documents that relate specifically to Raine's ordinary employees and affiliates do not apply to them. For example, senior advisors may make personal investments in portfolio companies alongside Raine clients and Raine clients may invest in portfolio companies in which senior advisors hold existing material investments.

Senior advisors are typically paid a consulting fee by Raine. Consulting fees vary depending upon a number of variables, including expertise and time commitment to Raine or a portfolio company. While Raine does not regard its senior advisors as full-time employees, some senior advisors may nonetheless qualify as employees of the Raine Group for administrative or other purposes. From time to time, these individuals may also co-invest in transactions in which they are involved under the same terms and conditions as the applicable Raine client, but without paying a management fee or carried interest. As a senior advisor becomes more ingrained with a portfolio company, he or she may take on a more active role, including, for example, taking a board seat and providing additional services directly to the portfolio company. In either case, the senior advisor may receive direct compensation from the portfolio company under terms agreed to by the portfolio company and the senior advisor. Any such compensation will not offset any management fees (or other fees) received by Raine, even if such amounts would reduce management fees if they were paid to Raine's ordinary employees or Raine's affiliates. In addition, senior advisors may make capital commitments and capital contributions to one or more Raine investment vehicles. Furthermore, senior advisors often have close business and personal relationships with Raine even though they are generally not current Raine employees and, as a result, Raine's relationships with senior advisors may create conflicts of interest.

Investors should refer to the respective offering documents and/or governing agreements for the Raine Funds and other Raine clients for a complete description of fees and expenses. The information contained herein is qualified in its entirety by such documents.

Item 5.D – Refunds for Fees Charged in Advance

Management fees are payable quarterly in advance as described in Item 5.B. With respect to the Raine Hedge Funds, subject to the governing documents of each such fund, Raine Hedge Fund investors generally may, on a quarterly basis, withdraw that portion of their investments allocated to publicly traded securities. Investors may not withdraw any portion of their investments that are allocated to an unrealized private investment. In the event a Raine Hedge Fund investor is not invested for a full quarterly period, management fees are typically pro-rated based on the number of months in the quarter the investor was invested. With respect to the Raine PE Funds, an investor generally may not voluntarily withdraw during the life of the fund as the investments are intended to be long-term investments. A Raine Fund or Raine's services to a Raine Fund, however, may be terminated upon the occurrence of certain limited events as set forth in the Raine Fund's governing documents, and in the event such a termination occurs prior to the complete rendering of services for a quarterly period, Raine generally would prorate the management fee based on the period of time for which services were provided.

Item 5.E – Compensation for Sales of Securities

Raine does not accept compensation for the sale of securities or other investment products. Raine's supervised persons do not accept compensation for the sale of securities or other investment products related to their responsibilities to Raine.

Our affiliate, the Raine broker-dealer, receives compensation for the sale of securities or other investment products. As described in further detail in Item 10, certain of our supervised persons, in their capacity as supervised persons of the Raine broker-dealer, receive compensation attributable to the sale of securities or other investment products. For further discussion concerning this compensation of the Raine broker-dealer, see Item 10.

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

Raine PE Funds

Each of the Raine PE Funds will generally be assessed a carried interest or performance fee that is allocable to the General Partner or Managing Member, as applicable. The carried interest is allocated periodically according to each Raine PE Fund's governing agreements, typically after the receipt by the applicable Raine PE Fund of proceeds from the disposition of a portfolio investment, and is paid out of cash proceeds otherwise distributable to investors. Carried interest is typically measured as a percentage of the profits of a Raine PE Fund and is negotiated separately for each Raine PE Fund. Currently, except as noted below, investors in the Raine PE Funds are subject to a carried interest charge of 20%. Because carried interest distributions may be made prior to the end of a Raine PE Fund's life, such distributions are subject to certain giveback obligations, as set forth in the applicable governing documents.

Raine or an affiliate has waived the carried interest charge in respect of one or more Raine PE Funds for itself and its professionals as well as certain business associates and "friends and family" of the Manager, the Raine Group or senior investment professionals.

Raine Hedge Funds

With respect to the Raine Hedge Funds, as of the end of each fiscal year, 18% of the net capital appreciation (excluding unrealized net capital appreciation in private investments, but including income from such private investments) allocated to each investor for such fiscal year will be reallocated to the capital account of the General Partner (the "incentive allocation"); provided, however, that the net capital appreciation upon which the calculation of the incentive allocation is based will be reduced to the extent of

any unrecovered balance remaining in the Loss Recovery Account (as defined below) maintained on the books of the fund for such investor. In other words, the General Partner will be entitled to receive an incentive allocation on a “high water mark” basis. The Raine Hedge Funds will each maintain one or more memorandum loss recovery accounts (each, a “Loss Recovery Account”) for each investor, the purpose of which is to track net capital depreciation (excluding unrealized net capital appreciation in private investments, but including income from such private investments), if any, attributable to the investor’s interest in that Raine Hedge Fund for each accounting period (generally a year). The General Partner will not be allocated any incentive allocation with respect to an investor until any net capital depreciation reflected in its Loss Recovery Account is recouped. In the event that an investor withdraws all or a portion of its interest in the Raine Hedge Fund, the amount of net capital depreciation that is reflected in the investor’s Loss Recovery Account is proportionately reduced. Additional capital contributions do not affect the amount of net capital depreciation that must be recouped before the General Partner is allocated an incentive allocation. Additional contributions by an investor will be treated as separate investments for the purpose of the determination of the incentive allocation. The General Partner may reduce or waive the incentive allocation with respect to any investor.

Co-Investment Vehicles

With respect to Raine co-investment vehicles, any fees to be received by Raine or its affiliates are negotiated on a vehicle-by-vehicle basis and may not include a carried interest charge.

General

The fact that Raine or an affiliate may be entitled to receive performance-based compensation may create an incentive for Raine to recommend investments that are riskier than those that would be recommended under a different fee arrangement, as Raine or its affiliate captures a set fraction of an investment’s upside but does not suffer proportionately the downside of the investment. However, this incentive may be tempered somewhat by the fact that losses will reduce a Raine investment vehicle’s performance and thus performance-based compensation, and that the Raine Group and, in certain cases, the principals have made investments in the Raine PE Funds and in the Raine Hedge Funds and are subject to downside on these investments. Furthermore, Raine does not base its allocation decisions on the potential for it or its affiliates to earn performance-based fees.

ITEM 7 – TYPES OF CLIENTS

Raine generally provides investment advisory services, as described above in response to Item 4, to the Raine Funds and Raine co-investment vehicles. Investment in Raine clients is generally only available to institutional investors and certain high net worth investors that are (i) “accredited investors” as defined under Regulation D promulgated under, or non-“U.S. persons” as defined under Regulation S promulgated under, the Securities Act of 1933, as amended, and (ii) “qualified purchasers” or “knowledgeable employees” of Raine as defined in the Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder.

The Raine Funds generally have a specified minimum investment amount as set forth in their offering documents, limited partnership agreements or other governing documents which typically ranges from \$5mm to \$10mm. Such minimums are waived from time to time by Raine and are subject to discretion, on the part of Raine or its affiliate, to permit investment of a smaller amount.

Raine employees and other persons associated with Raine and/or its affiliates, and the Raine Group out of its proprietary accounts, have made and may in the future make capital commitments and capital contributions to Raine clients.

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

Item 8.A – Methods of Analysis and Investment Strategies

Raine PE Funds

The Raine PE Funds will primarily make private equity and equity-related investments in companies focused on Raine’s core sectors, with the primary differences between the Raine Growth Funds, the Raine Gaming Fund and the Raine Venture Funds being the size of the investments as described in the following paragraph and the fact that the Raine Growth Funds will typically invest in later-stage growth companies, the Raine Gaming Fund will typically invest in early-to-mid growth-stage companies across the gaming sector globally and the Raine Venture Funds will typically invest in seed, early and expansion stage companies, as well as opportunistic later-stage investments. Each Raine PE Fund seeks investments across the capital structure in opportunities that are consistent with its risk-return investment strategy. In seeking to achieve its investment objective, we anticipate that each Raine PE Fund will invest primarily in some or all of the following types of investments:

- preferred equity, when we believe that the applicable Raine PE Fund can retain equity upside with principal protection through a liquidation preference and/or other protections;
- “hybrid” and other structured transactions that we believe have attractive risk-return profiles; and
- common equity, when we believe that we can achieve attractive returns while mitigating the risk of principal loss.

The typical size of an investment by (i) the Raine Growth Funds is generally between \$50 million and \$100 million, (ii) the Raine Gaming Fund is generally between \$10 million and \$25 million and (iii) the Raine Venture Funds is generally between \$250,000 and \$5 million for initial investments with fully-scaled positions of up to 10% of total commitments to the applicable Raine Venture Fund. We also expect that each Raine PE Fund will have the ability to pursue larger transactions (often significantly larger), where appropriate, by offering co-investment opportunities through the Raine co-investment vehicles to investors in such Raine PE Fund and/or one or more third parties that are not investors in such Raine PE Fund.

Generally, we will seek to capitalize on the sector-specific experience of the principals, senior investment professionals and Raine’s strategic relationships to generate proprietary opportunities, rather than participate in competitive auctions, and to identify high-growth opportunities where Raine can create value without relying on financial leverage to drive returns.

We engage in a detailed due diligence process for each potential investment, including modeling short- and long-term financial scenarios, company assessment, industry analysis, competitive benchmarking, evaluation of company management, risk assessment and transaction size, and pricing and structure analysis. The due diligence effort includes our investment professionals as well as operating management teams, legal, tax and accounting advisors and third-party consultants and advisors. In our analysis of potential investments, we primarily use information that a potential portfolio company provides to us as a result of our due diligence review. Additionally, we use information regarding investment opportunities sourced from the Raine broker-dealer and other affiliates and strategic relationships.

Raine Hedge Funds

The Raine Hedge Funds seek to generate returns by investing opportunistically in the communications infrastructure subsector of TMT. Following an imminent restructuring, the Raine Hedge

Funds will invest in a hybrid public and private strategy, allocating up to 25% of available capital, on an opt-in basis, to private investment opportunities.

We believe that the Raine Hedge Funds offer attractive opportunities for investors to gain exposure to the communications infrastructure subsector through a differentiated investment approach. We seek to capitalize on our TMT-focused platform to help develop and diligence differentiated investment themes that we believe will enable the Raine Hedge Funds to achieve risk-adjusted returns through a balanced and fundamental investment approach.

We actively manage the Raine Hedge Funds' public markets investment portfolio, trading around core positions when we believe it is appropriate to take advantage of changes in the markets to enhance returns. We seek to capitalize on market conditions and company-specific events as they are announced, including earnings reports, press releases, industry or competitor news and changes in street perception and coverage. We continue to re-evaluate positions and exit points as an investment thesis plays out or changes over time (e.g., if price targets have been achieved or if new information impacts the original thesis or investment decision). We believe that regular evaluation of the portfolio is important to thesis discipline and maintaining informed conviction without becoming stubborn.

We take a collaborative approach to the public markets portfolio, with the portfolio manager and other senior members of the Raine team meeting regularly to discuss investment themes and the positioning of the portfolio. We conduct daily risk reviews of set portfolio parameters established by us (including gross and net exposure limits, single name limits and subsector exposure limits), with intra-day operational controls and enforcements of these limits. We believe that our existing platform provides both a competitive advantage to the Raine Hedge Funds from an investment perspective (e.g., through differentiated idea generation and diligence) as well as a disciplined investing environment designed to mitigate risk.

On the long side, we endeavor to own positions as long as we continue to believe that the thesis underlying such investment remains valid and that the return potential meets its expected level. We seek to construct the portfolio using one year out price targets for long positions and generally consider various valuation methodologies, including, where relevant: trading multiple analysis (e.g., EBITDA, P/E multiple, etc.), free cash flow ("FCF") yield, discounted cash flow analysis and funds from operations analysis. We may also consider the potential for mergers and acquisitions as part of the analysis, but do not believe that this is a typical driver of our price targets.

In evaluating long opportunities, we generally seek investments that have some combination of FCF yield and expected growth. We believe investments that generate FCF yield often have stronger valuation support than those without such yield. A meaningful portion of the Raine Hedge Funds' long investments are in businesses that, in our evaluation, have a high degree of recurring revenue, longer term contracts and pricing escalators (e.g., "compounders"), which we believe tend to offer visibility to future cash flows.

On the short side, we seek to be opportunistic and look to construct price targets for all short positions utilizing similar methodologies to the long portfolio. In creating the short portfolio, we seek a combination of secular shorts which may be longer term in nature in tandem with event-oriented and shorter-in-duration shorts.

For the Raine Hedge Funds' private investments, we are focused on assessing risk-reward analysis for each potential investment, including higher underwriting thresholds and projected fund returns for early-to-mid growth-stage companies. Raine monitors the portfolio on a quarterly basis, conducting detailed portfolio company reviews each quarter. In terms of investment structure, we seek to invest in a mix of passive investment opportunities, where we are either a co-lead or party of a syndicate with limited governance or board involvement, as well as active investments, with Raine acting as lead investor, with customary minority governance protections and board involvement. Although the particular characteristics

of each private investment are highly tailored to the specific transaction, in general, the Raine Hedge Funds will most often invest in:

- preferred equity, when we believe that the Raine Hedge Funds can retain equity upside with principal protection through a liquidation preference and/or other protections;
- “hybrid” and other structured transactions that we believe have attractive risk-return profiles; and
- common equity, when we believe that we can achieve attractive returns while mitigating the risk of principal loss.

With respect to private investments, the Raine Hedge Funds will typically seek to make initial investments of between \$2 million and \$25 million in growth stage equity investments, with a target investment life of three to seven years. Raine also expects that the Raine Hedge Funds will have the opportunity to pursue significantly larger transactions, where appropriate, through co-investment opportunities.

General

An investment in a Raine investment vehicle should generally be deemed speculative and is not intended as a complete investment program. Investing in the securities markets in general and in Raine clients in particular involves significant risk. Investments in Raine clients are appropriate only for experienced and sophisticated persons who meet certain eligibility criteria, are able to bear the risk of loss of some or all of an investment, and have a limited need for liquidity. Please see Item 8.B for additional risks associated with these investments.

Item 8.B – Material Risks of Significant Investment Strategies and Methods of Analysis

As a general matter, Raine utilizes the investment strategies and methods of analysis described in the offering and/or governing documents of the applicable Raine investment vehicle provided to investors prior to the time of an investment. The following is a summary of some of the material risks associated with the significant investment strategies and methods of analysis expected to account for a significant portion of the Raine investment vehicles’ investments. While the descriptions of the investment strategies and methods of analysis described herein are generally relevant to the Raine co-investment vehicles, each co-investment vehicle typically invests in one portfolio company of a Raine Fund, and therefore lacks the potential benefit of diversification, and will be particularly exposed to the legal and financial risks associated with that transaction, including the risk of loss. This summary does not attempt to describe all of the risks associated with an investment in a Raine investment vehicle and there can be no assurance that other risks and conflicts of interest will not arise. Although no summary can fully describe all of the risks associated with such an investment, the offering and/or governing documents of each Raine investment vehicle contain a more complete description of the risks associated with an investment in such Raine investment vehicle.

The information contained herein is a summary only and it is critical that investors refer to the offering and/or governing documents of the applicable Raine investment vehicle for a complete overview of Raine’s investment strategies and methods of analysis and the material risks associated therewith. The information contained herein is qualified in its entirety by such documents. In addition, prospective investors should also consult their own legal, investment, tax, regulatory and other advisers as to whether an investment in a Raine investment vehicle is appropriate for them.

Material Risks Associated with the Raine Investment Vehicles Generally

Nature of Investment. An investment in the Raine investment vehicles involves significant risks, is speculative and volatile, and requires a long-term commitment with no certainty of return. Since the Raine investment vehicles may only make a limited number of investments, and since many of the Raine investment vehicles' investments involve a high degree of risk, poor performance by one or a few of the investments could significantly reduce the total returns to investors. There can be no assurance that any investment will meet its investment objectives, or that an investor will receive a return of its capital. The performance of prior investments made by the Raine investment vehicles is not indicative of any expected future results.

Lack of Sector Diversification. The Raine Growth Funds and Raine Venture Funds will pursue proprietary investment opportunities in the TMT sectors, primarily focused on the technology, entertainment, sports, gaming, lifestyle, digital media and internet sectors, the Raine Gaming Funds' investments will be concentrated in the gaming sector, and the Raine Hedge Funds' investments will be concentrated in the communications infrastructure sub-sector. Concentration in limited business sectors will involve risks greater than those generally associated with diversified acquisition funds, including significant fluctuations in returns based on market perception of the sector. Instability, fluctuation or an overall decline within Raine's core sectors will likely not be balanced by investments in other sectors not so affected. In the event that the sectors named above decline as a whole, returns to investors would be adversely affected.

While diversification within these sectors is an objective of the Raine investment vehicles, there is no assurance as to the degree of diversification that will actually be achieved in any of the Raine investment vehicles' investments. The Raine PE Funds are expected to participate in a limited number of investments and, as a consequence, the aggregate return of the Raine PE Funds may be substantially adversely affected by the unfavorable performance of even a single investment. If a Raine PE Fund co-invests with other third-party private equity funds, an investor may have exposure to a portfolio company through more than one investment fund.

With respect to the Raine Gaming Fund, investments will be concentrated in the gaming sector. Concentration in a limited business sector will involve risks greater than those generally associated with more diversified acquisition funds, including significant fluctuations in returns based on market perception of the sector. Instability, fluctuation or an overall decline within the gaming sector will not be balanced by investments in other industries not so affected. While diversification within the gaming sector is an objective of the Raine Gaming Fund, there is no assurance as to the degree of diversification that will actually be achieved in the Raine Gaming Fund's investments. Because as much as 20% of this fund's assets may be invested in a single investment, a loss with respect to any single investment could have a significant adverse impact on the fund's returns as described above. The Raine Gaming Fund is expected to participate in a limited number of investments and, as a consequence, the aggregate return of the Raine Gaming Fund may be substantially adversely affected by the unfavorable performance of even a single investment. Furthermore, an investor may have exposure to a portfolio company through more than one fund, particularly if the Raine Gaming Fund invests alongside other investment funds.

With respect to the Raine Hedge Funds, investments will be concentrated in the communications infrastructure sub-sector of the TMT sector. Concentration in a limited business sector will involve risks greater than those generally associated with more diversified funds, including significant fluctuations in returns based on market perception of the sub-sector. Instability, fluctuation or an overall decline within the sub-sector or the TMT industry generally will likely not be balanced by investments in other industries not so affected. In the event that the sub-sector declines as a whole, returns to investors would be adversely affected. Given the Raine Hedge Funds' expected concentration in a relatively small sub-sector, there is no assurance as to whether any degree of diversification will actually be achieved in the Raine Hedge Funds' investments. Because the Raine Hedge Funds are not restricted as to the percentage of their assets that may

be invested in any particular market, area, company or instrument, poor performance of any particular market, area, company or instrument could have a significant adverse impact on their returns as described above. The Raine Hedge Funds are expected to participate in a limited number of investments and, as a consequence, aggregate returns may be substantially adversely affected by the unfavorable performance of even a single investment. Furthermore, an investor may have exposure to a portfolio company through more than one fund, particularly if the Raine Hedge Funds invest alongside other investment funds.

Therefore, an investor should only invest in a Raine investment vehicle as part of an overall investment strategy, and only if the investor is able to withstand a total loss of its investment.

Unspecified Investments. Raine has not identified all particular investments it will make. An investor must rely upon the ability of Raine to make investments consistent with each Raine investment vehicle's investment objectives and policies. A Raine investment vehicle may be unable to find a sufficient number of attractive opportunities to invest its committed capital or assets, or meet its investment objectives.

Investments in the FinTech Industry. Raine has made and may continue to make investments in financial technology ("FinTech") companies. Such companies may have limited product lines, markets, financial resources or personnel. The FinTech industry is challenged by various factors, including rapidly changing market conditions and/or participants, new competing products, services and/or improvements in existing products. Additionally, in the U.S. many FinTech activities are regulated on a state-by-state basis with varying levels of requirements that often are subject to inconsistent judicial interpretations. These requirements include consumer protections (such as disclosure requirements and usury), licensing (such as non-bank lending and debt collection) and supervision (in particular banking and insurance). While the Dodd Frank Wall Street Reform and Consumer Protection Act (the "Dodd Frank Act") clarified certain pre-emption issues, there often is a tension between these state regulatory regimes and Federal regulation.

Raine's portfolio companies in this industry will compete in this volatile environment. There is no assurance that products or services sold by these portfolio companies will not be rendered obsolete or adversely affected by competing products and services or that these portfolio companies will not be adversely affected by other challenges, including the changing regulatory environment. Instability, fluctuations or an overall decline within the technology industry may not be offset by increases in other industries not so affected. FinTech-oriented companies are heavily dependent on patent and intellectual property rights. The loss or impairment of these rights may adversely affect the profitability of these companies.

Investments in the Digital Media & Internet Sectors. Raine has made and expects to continue to make investments in portfolio companies involved in the digital media & internet. The digital media & internet sectors are subject to risks of adverse government regulation. Programming services, cable television systems, the Internet, telecommunication services and satellite carriers are subject to varying degrees of regulation in the United States by the Federal Communications Commission (the "FCC") and other entities and in foreign countries by similar entities. Such regulation and legislation are subject to the political process and have been in constant flux over the past decade. Further material changes in the law and regulatory requirements must be anticipated, and there can be no assurance that the business of portfolio companies will not be adversely affected by future legislation, new regulation or deregulation, including the FCC's December 14, 2017 decision to repeal the Protecting and Promoting the Open Internet rules, more commonly known as the "Net Neutrality" regulations. In addition, competitive pressures within the digital media & internet sectors are intense, and the securities of such portfolio companies may be subject to significant price volatility. Because the digital media & internet sectors are also subject to rapid and significant changes in technology, portfolio companies in these sectors may face competition from technologies being developed or to be developed in the future by other entities, which may make such companies' products and services obsolete.

Investments in Sports & Lifestyle Sectors. Raine has made and expects to continue to make investments in portfolio companies involved in the sports sector. In certain instances, such portfolio companies may be highly regulated both by domestic and foreign governmental agencies and by the governing bodies of various sports. Such regulations often involve restrictions on who can own a particular sports team or other sports property, including restrictions on ownership of multiple teams or other property by the same person or its affiliates. Any such regulations (as well as other applicable regulations) may impact the Raine investment vehicles' ability to make an acquisition or disposition of an investment and how the investment is operated.

Raine has made and expects to continue to make investments in portfolio companies involved in the consumer and lifestyle industries. Like portfolio companies in the entertainment & gaming, sports, digital media & internet and telecommunications sectors, portfolio companies in the lifestyle sector are sensitive to a number of factors that influence the levels of consumer spending, including economic conditions such as recessionary environments, levels of employment, salaries and wage rates, levels of disposable consumer income, consumer debt, interest rates, income tax rates and policies and consumer confidence. Consumer spending is also affected by the domestic and international political situation. The outbreak or escalation of war, or the occurrence of terrorist acts or other hostilities, could lead to a decrease in spending by consumers. In addition, the lifestyle sector is highly competitive with few barriers to entry and can change rapidly due to consumer preferences and industry trends.

Investments in the Telecommunications Industry. Raine has made and expects to continue to make investments in communications companies. Communications companies in the United States, Europe and other developed and emerging countries are undergoing significant changes mainly due to evolving levels of governmental regulation or deregulation as well as the rapid development of communication technologies. Competitive pressures within the communications industry are intense, and the securities of communications companies may be subject to significant price volatility. In addition, because the communications industry is subject to rapid and significant changes in technology, the companies in this industry that the Raine investment vehicles may invest in will face competition from technologies being developed or to be developed in the future by other entities, which may make such companies' products and services obsolete.

Further, Raine has made and expects to continue to make investments in infrastructure assets, including in particular communications infrastructure assets, which involves many relatively unique and acute risks. Project revenues can be affected by a number of factors including economic and market conditions, political events, competition, regulation, and the financial position and business strategy of customers. Unanticipated changes in the availability or price of inputs necessary for the operation of infrastructure assets may adversely affect the overall profitability of the investment. Events outside the control of a portfolio company, such as political action, governmental regulation, demographic changes, economic growth, increasing fuel prices, government macroeconomic policies, political events, social stability, natural disasters, changes in weather, changes in demand for products or services, bankruptcy, or financial difficulty of a major customer and acts of war or terrorism, could significantly reduce the revenues generated or significantly increase the expense of constructing, operating, maintaining or restoring infrastructure. In turn, this may impair a portfolio company's ability to repay its debt or even result in termination of an applicable concession or other agreement. As a general matter, the operation and maintenance of infrastructure assets or businesses involve various risks and are subject to substantial regulation, many of which may not be under the control of the owner/operator, including labor issues, failure of technology to perform as anticipated, structural failures and accidents and the need to comply with the directives of government authorities. Although portfolio companies may maintain insurance to protect against certain risks, where available on reasonable commercial terms (such as business interruption insurance that is intended to offset loss of revenues during an operational interruption), such insurance is subject to customary deductibles and coverage limits and may not be sufficient to recoup all of an investment's losses. Furthermore, once assets of portfolio companies become operational, they may face

competition from other infrastructure assets in the vicinity of the assets they operate, the presence of which depends in part on governmental plans and policies

Investments in the Entertainment & Gaming Sectors. Raine has made and expects to continue to make investments in portfolio companies operating in the gaming sector. The entertainment & gaming sectors are highly competitive, and these competitive pressures can adversely affect the financial performance of the portfolio companies that the Raine investment vehicles invest in. Entertainment & gaming represent discretionary expenditures and participation in such activities may decline when the economic outlook is uncertain and during economic downturns. The gaming sector is subject to extensive and evolving gaming regulations under various laws, rules and regulations that could change based on political and social norms and that could be interpreted in ways that could negatively impact Raine's business. Regulatory authorities have broad powers and may revoke, suspend, condition or limit gaming or other licenses, impose substantial fines and take other actions, any one of which could adversely impact the business, financial condition and results of operations of a Raine investment vehicle's portfolio companies. Additionally, investments operating in the gaming sector may be exposed to legal, regulatory, and reputational risks as a result of exposure to customers engaged in illegal activity (including money laundering) or subject to U.S. economic sanctions. Such exposure could adversely impact the business, financial condition, and results of operations of portfolio companies, which could in turn adversely impact the returns of the investments

Investments in the Technology Sector; Portfolio Company Reliance on Technology. Raine has made and expects to continue to make investments in portfolio companies involved in the technology sector or whose performance may be highly correlated with their ability to successfully implement new technology and/or exploit existing technologies. Concentration in those industries may involve risks greater than those generally associated with more diversified funds and may experience significant fluctuations in returns. The technology sector is challenged by various factors, including rapidly changing market conditions and participants, new competing products and services and improvements in existing products and services. There is no assurance that products or services sold by portfolio companies will not be rendered obsolete or adversely affected by competing products and services or other challenges. Instability, fluctuation or an overall decline within the technology industry may not be balanced by investments in other industries not so affected. In the event that the technology sector declines or that portfolio companies are unable to utilize technology successfully and competitively, returns to investors may decrease.

Dependence on Intellectual Property. Certain investments will depend heavily on intellectual property rights, including patents, trademarks and servicemarks. The ability to effectively enforce patent, trademark and other intellectual property laws will affect the value of many of these companies. Patent disputes are frequent and can preclude commercialization of products, and patent litigation is costly and could subject a portfolio company to significant liabilities to third parties. The presence of patents or other proprietary rights belonging to other parties may lead to the termination of the research and development of a portfolio company's particular product.

Portfolio Company Reliance on Technology. A Raine investment vehicle may invest in portfolio companies whose performance may be highly correlated with their ability to successfully implement new technology and/or exploit existing technologies. The technology sector is challenged by various factors, including rapidly changing market conditions and participants, new competing products and services and improvements in existing products and services. There is no assurance that products or services sold by portfolio companies will not be rendered obsolete or adversely affected by competing products and services or other challenges. In the event that the technology sector declines or that portfolio companies are unable to utilize technology successfully and competitively, returns to investors may decrease.

Business and Market Risks. The investments made by the Raine investment vehicles may involve a high degree of business and financial risk that can result in substantial losses. In particular, these risks could arise from changes in the financial condition or prospects of the entity in which the investment is

made, changes in national or international economic and market conditions, and changes in laws, regulations, fiscal policies or political conditions of countries in which investments are made, including the risks of war and the effects of terrorist attacks. The possibility of partial or total loss of capital will exist, and investors should not invest unless they can readily bear the consequences of such loss.

Market Conditions. The Raine investment vehicles will be materially affected by conditions in the financial markets and economic conditions throughout the world, including interest rates, availability and terms of credit, inflation rates, economic uncertainty, changes in laws, trade barriers, commodity prices, currency exchange rates and controls and national and international political circumstances. Difficult market conditions may adversely affect a Raine investment vehicle by reducing the value or performance of its investments or by reducing its ability to raise or deploy capital, each of which could negatively impact the returns to investors. Market conditions surrounding the business of the Raine investment vehicles are subject to change. For example, a decrease in the availability of financing (or an increase in the interest cost), whether due to adverse changes in economic or financial market conditions or a decreased appetite for risk by lenders, may impair the Raine investment vehicles' ability to consummate certain transactions and may adversely affect the returns of the Raine investment vehicles and their investors.

LIBOR Rates. LIBOR, the London Interbank Offered Rate, is an estimate of the interest rates to borrow U.S. Dollars, sterling, Euros and certain other currencies in the London unsecured interbank market, and is widely used as a reference for setting the interest rate on loans, bonds, and derivatives globally. The United Kingdom's Financial Conduct Authority, which regulates LIBOR, is currently phasing out the creation of LIBOR estimates by the end of 2021, including transitioning to alternative reference rates. The U.S. Federal Reserve, in conjunction with the Alternative Reference Rates Committee, is also recommending replacing U.S. dollar LIBOR with a new reference rate derived from short-term repurchase agreements backed by Treasury securities, the Secured Overnight Financing Rate ("SOFR"). However, certain market constituencies have criticized SOFR's suitability as a LIBOR replacement, and the extent of SOFR-based instruments issued or trading in the market remains a fraction of LIBOR-based instruments. As such, there remains uncertainty regarding the future utilization of LIBOR and other "IBORS," and the nature of any replacement rates.

Some of the Raine investment vehicles' investments may have interest rates with a LIBOR reference. As a result, the transition away from LIBOR could adversely impact these vehicles. Even if replacement conventions (e.g., SOFR) are adopted in the lending and bond markets, it is uncertain whether they might affect the Raine investment vehicles as investors in floating-rate instruments, including by: (a) affecting liquidity of the Raine investment vehicles' investments in the secondary market and their market value; (b) reducing the interest rate earned by the Raine investment vehicles as holders of such investments (either generally or in certain market cycles) due to the use of a collateralized, overnight rate and credit spread adjustments instead of an unsecured, term rate; or (c) causing the Raine investment vehicles to incur expenses to manage the transition away from LIBOR. Also, while it is common for recently issued instruments to contemplate a scenario where LIBOR is no longer available by providing for an alternative rate setting methodology and mechanisms to amend the applicable reference rate, not all instruments have such provisions and there are significant uncertainties regarding the effectiveness of any such alternative methodologies. As such, the Raine investment vehicles may need to renegotiate the terms of credit agreements with certain issuers of investments that utilize LIBOR in order to replace it with the new standard convention that is established, which could result in increased costs for the Raine investment vehicles.

The Raine investment vehicles may also enter into swaps and similar instruments that reference LIBOR, including swaps used to manage long-term interest rate risk related to assets and/or liabilities. In addition to the Raine investment vehicles potentially needing to renegotiate some of those instruments to address a transition away from LIBOR, there also may be different conventions that arise in different but related market segments, which could result in mismatches between different assets and liabilities and, in turn, in possible unexpected gains and/or losses for the Raine investment vehicles. In addition and as further

described above, some of the standard conventions under consideration, including SOFR, are conceptually different than LIBOR, in that they are overnight, secured rates instead of unsecured, term rates, which could behave differently from LIBOR in ways that cause the Raine investment vehicles to owe greater payments or receive less payments under its derivatives, at least during certain market cycles. Some of these replacement rates may also be subject to compounding or similar adjustments that cause the amount of any payment referencing a replacement rate not to be determined until the end of the relevant calculation period, rather than at the beginning, which could lead to administrative challenges for the Raine investment vehicles.

Furthermore, even though a Raine investment vehicle may utilize a Credit Facility with terms that provide for mechanics to amend the Credit Facility in order to reflect a replacement rate in the event of a transition away from LIBOR, the determination of such replacement rate may require further negotiation, including with the applicable lender. There can be no certainty that an agreement between the parties will be reached, and the terms of any such Credit Facility may also provide that, during any applicable transition period, the amounts drawn under that Credit Facility may bear interest at a higher rate. In addition, even if an agreement is reached with respect to a replacement rate for LIBOR, the applicable lender may have the ability to make certain changes to the terms of the Credit Facility to implement the new rate, which the applicable Raine investment vehicle may have no control over.

Minority Investments. Raine investment vehicles typically invest in minority positions of portfolio companies. Raine investment vehicles may also invest in portfolio companies for which the Raine investment vehicle has no right to appoint a director or otherwise exert significant influence or protect its position. In all such cases, the Raine investment vehicle will significantly rely on the existing management and board of directors of such portfolio companies, which may include representation of other financial investors with whom the Raine investment vehicle is not affiliated and whose interests may conflict with the interests of the Raine investment vehicle.

Non-U.S. Investments. Raine investment vehicles have made and are expected to continue to make investments outside of the United States, including in certain emerging foreign markets. Investments in the securities of foreign issuers may be restricted or controlled to varying degrees. Such investments require consideration of certain risks typically not associated with investing in U.S. securities or property. Such risks include, among other things, trade balances and imbalances and related economic policies, potential price volatility in, and relative illiquidity of, some non-U.S. securities markets, unfavorable currency exchange rate fluctuations, imposition of exchange control regulation by the U.S. or foreign governments, U.S., foreign or other withholding taxes, limitations on the removal of funds or other assets, policies of governments with respect to possible nationalization of their industries, political difficulties, including expropriation of assets, confiscatory taxation and economic or political instability in foreign nations. Laws and regulations of foreign countries may impose restrictions that would not exist in the United States and may require financing and structuring alternatives that differ significantly from those customarily used in the United States.

There may be less publicly available information about certain foreign companies than would be the case for comparable companies in the United States, and certain foreign companies may not be subject to accounting, auditing and financial reporting standards and requirements comparable to, or as uniform as, those of U.S. companies. Certain countries require governmental approval prior to investments by foreign persons, limit the amount of investment by foreign persons in a particular company or restrict investment by foreign persons to a specific class of securities of a company that may have less advantageous terms than the classes available for purchase by nationals. Some countries require governmental approval for the repatriation of investment income, capital or the proceeds of sales of securities by foreign investors. A Raine investment vehicle could be adversely affected by delays in, or a refusal to grant, any required governmental approval for repatriation of capital or earnings, as well as by the application to the Raine investment vehicle of restrictions on investments. In addition, because a Raine investment vehicle's investments in other countries will likely be denominated in the currencies of such countries, a change in

the value of these currencies against the U.S. dollar may result in a corresponding change in the U.S. dollar value of the Raine investment vehicle's assets denominated in those currencies.

Risk of Leverage. Certain Raine investment vehicles are permitted to borrow funds for various purposes, which may include (depending on the particular Raine investment vehicle) to pay management fees and other expenses, to make new or follow-on investments, to cover a shortfall in capital contributions resulting from a limited partner's default or exclusion, to fund the payment of any withholding or other tax, to facilitate a timely distribution from an investment that has been subject to a disposition or to make payments under guarantee, surety or hedging transactions. Such vehicles have from time to time borrowed funds for at least some of these purposes (including, most frequently, the first two purposes). The use of borrowed funds creates the opportunity for greater total returns, but at the same time involves certain risks. Since the Raine investment vehicles generally will pay the principal of, and interest on, their borrowings prior to making any distributions to the investors, an increase or decrease in capital or income of the Raine investment vehicles will have an increased effect on the returns to the investors. Because any decline in the value of a Raine investment vehicle's investments would be borne entirely by investors, the effect of leverage in a declining market would result in a greater decrease in capital than if such Raine investment vehicle were not leveraged.

Raine has caused certain of its existing investment vehicles, and expects to cause some or all of its investment vehicles to be formed in the future, to enter into one or more credit facilities (commonly referred to as "subscription lines") as credit parties (collectively referred to herein as a "Credit Facility"). Fund-level borrowing subjects investors to certain risks and costs. For example, amounts borrowed under a Credit Facility will likely be secured by pledges of Raine's right to call capital from investors. Additionally, a lender may foreclose on the pledged collateral, i.e., the investors' commitments and, if the Raine investment vehicle fails to repay the amounts borrowed under a Credit Facility or experiences another event of default. Raine may also cause the investment vehicles, and/or one or more special purpose vehicles established by it, to enter into one or more Credit Facilities, which may be secured by assets of the investment vehicle, including the investments (each such Credit Facility, a "NAV Facility"). Amounts borrowed under a NAV facility would be secured by pledges of the Raine investment vehicle's assets, including the Funds' investments, and the lender may foreclose on the Raine investment vehicle's assets if the investment vehicle fails to repay the amounts borrowed under a NAV Facility or experiences another event of default. In connection with any Credit Facility, moreover, any investor claim against the Raine investment vehicle would likely be subordinate to the Raine investment vehicle's obligations to the Credit Facility's creditors.

In addition, fund-level borrowing will result in incremental partnership expenses that will be borne by the investors. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of the Credit Facility, an upfront fee for establishing a Credit Facility and other one-time and recurring fees and/or expenses. Because a Credit Facility's interest rate is based in part on the creditworthiness of all the underlying investors and the terms of the applicable governing agreement, it may be higher than the interest rate an investor could obtain individually. To the extent a particular investor's cost of capital is lower than the Raine investment vehicle's cost of borrowing, fund-level borrowing can negatively impact an investor's overall individual financial returns, even if it increases the Raine investment vehicle's reported net returns, as described below.

A credit agreement may contain other terms that restrict the activities of a Raine investment vehicle and the investors or impose additional obligations on them. For example, a Credit Facility may impose restrictions on Raine's ability to consent to the transfer of an investor's interest in a Raine investment vehicle. In addition, in order to secure the Credit Facility, Raine may request certain financial information and other documentation from investors to share with lenders. Raine will have significant discretion in negotiating the terms of any Credit Facility and may agree to terms that are not the most favorable to one or all investors.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a Credit Facility allows Raine to fund investments and pay partnership expenses without calling capital, potentially for extended periods of time. Calling a large amount of capital at once to repay the then current amount outstanding under the Credit Facility could cause liquidity concerns for investors that would not arise had Raine called smaller amounts of capital incrementally over time as needed by a Raine investment vehicle. This risk would be heightened for an investor with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the investor to meet the accumulated, larger capital calls at the same time. Raine may also utilize fund-level borrowing when it expects to repay the amount outstanding through means other than investor capital, including as a bridge for equity or debt capital at a portfolio company. If Raine is ultimately unable to repay the borrowings through those other means, investors would end up with increased exposure to the underlying investment, which could result in greater losses in a declining market.

Raine has incentives to engage in fund-level borrowing notwithstanding the expenses and risks that accompany it. For example, Raine intends to present certain performance metrics, such as net IRR and net multiple, in Raine investment vehicles' periodic reports and marketing materials for future Raine funds. Certain of Raine's performance metrics, including its current presentation of net IRR and net multiple, measure investors' actual cash outlays to, and returns from, a Raine investment vehicle and thus depend on the amount and timing of investor capital contributions to the Raine investment vehicle and Raine investment vehicle distributions to investors. To the extent a Raine investment vehicle uses borrowed funds in advance or in lieu of calling capital, investors make correspondingly later or smaller capital contributions. Also, borrowing to facilitate distributions of proceeds from an investment enables investors to receive distributions earlier. As a result, the use of borrowed funds generally results in the presentation of higher performance metrics than simply calling capital, even after accounting for the attendant interest expense.

Fund-level borrowing can also affect the preferred return the investors receive and the carried interest Raine receives, as preferred return and carried interest generally depend on the amount and timing of capital contributions and distributions of proceeds. In particular, the preferred return begins to accrue after capital contributions are due (regardless of when a Raine investment vehicle borrows, makes the relevant investment or pays expenses) and ceases to accrue upon return of these capital contributions. Using borrowing to shorten the period between calling and returning capital limits the amount of time the preferred return will accrue. Because Raine does not pay preferred return on funds borrowed in advance or in lieu of calling capital, fund-level borrowing will therefore reduce the amount of preferred return to which the investors would otherwise be entitled had Raine called capital, and thus could allow Raine to receive carried interest sooner than it would without borrowing.

Fund level borrowing may also involve risks for certain tax-exempt investors. To the extent a Raine investment vehicle borrows or is deemed to borrow for U.S. federal income tax purposes, it may hold debt financed property that may produce "unrelated debt financed income" (so-called "UDFI") that is treated as "unrelated business taxable income" (so-called "UBTI"), as defined in Section 512 of the Internal Revenue Code of 1986 (the "Code") for a tax exempt investor.

In respect of the Raine Hedge Funds, leverage generally takes the form of trading on margin, and may also take the form of investing in derivative instruments that are inherently leveraged and entering into other forms of direct or indirect borrowings. The amount of leverage or borrowings that the Raine Hedge Funds may have outstanding at any time could be large in relation to its capital. Consequently, the level of interest rates generally, and the rates at which the Raine Hedge Funds can borrow in particular, will affect the Raine Hedge Funds. In general, the Raine Hedge Funds' use of short-term margin borrowings or equivalent financing results in certain additional risks to the Raine Hedge Funds. Depending on the type of instrument, a relatively small movement in the price of an investment may result in a profit or a loss that is high in proportion to the amount of funds actually placed by the fund as margin and may result in unquantifiable further loss exceeding any margin deposited. For example, should the securities pledged to

brokers to secure the Raine Hedge Funds' margin accounts decline in value, the Raine Hedge Funds could be subject to a "margin call," pursuant to which the applicable Raine Hedge Fund must either deposit additional funds with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden precipitous drop in the value of the Raine Hedge Funds' assets, the Raine Hedge Funds might not be able to liquidate assets quickly enough to pay off its margin debt.

The Raine Hedge Funds' ability to obtain leverage may be adversely affected if the capacity of its brokers, lenders or counterparties is impaired by unfavorable economic conditions or changes to the laws and regulations governing their operations. An inability of the Raine Hedge Funds to obtain a desired amount of leverage may limit the Raine Hedge Funds' overall investment exposure, thereby reducing the Raine Hedge Funds' performance. Margin posted by the Raine Hedge Funds will be subject to transaction and other costs, and other types of leverage also involve transaction and other costs. Any such costs may not be recovered by the return on the Raine Hedge Funds' portfolios. The use of leverage will decrease the investment return if the Raine Hedge Funds fail to recover the cost of such leverage.

Risk of Portfolio Company Leverage. A Raine investment vehicle's investments may be (and in certain cases have been) in portfolio companies whose capital structures have significant leverage. Although Raine will seek to use leverage in a prudent manner, the leveraged capital structure of such investments will increase the exposure of the portfolio companies to adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the condition of the portfolio companies or their industries. Legislation known as "An Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018" (the "Tax Reform Bill") was enacted on December 22, 2017. The Tax Reform Bill included, among other things, changes to the tax rules that govern the deductibility of interest expense. These changes and others in the Tax Reform Bill could have an adverse impact on portfolio companies that have significant leverage in their capital structures. The incurrence of significant indebtedness also tends to subject such portfolio companies to restrictive covenants, terms and conditions the violation of which would be viewed by creditors as an event of default and which could require the prepayment of debt using excess cash flow and limit such portfolio companies' ability to respond to changing industry conditions, make necessary capital expenditures, obtain additional financing, take advantage of growth opportunities or engage in strategic acquisitions.

Raine investment vehicles may enter (and in certain cases have entered) into guarantees or other forms of surety with respect to the indebtedness of third parties, including portfolio companies. In these circumstances, the creditor typically would have recourse to the Raine investment vehicle to satisfy the obligations of the third party. These arrangements pose many of the same risks and conflicts associated with fund-level borrowings. The relevant governing agreement may not cap the Raine investment vehicle's ability to enter into such guarantee or surety arrangements.

In addition, Raine investment vehicles may enter (and in certain cases have entered) into contractual arrangements, including deferred purchase price payments, staged funding obligations, earn outs, milestone payments and equity commitment letters and other forms of credit support, that obligate it to fund amounts to special purpose vehicles, portfolio companies or other third parties. Such arrangements may not constitute borrowings or guarantees under the relevant governing agreement and may not be subject to the related caps, even though these arrangements pose many of the same risks and conflicts associated with the use of leverage that the caps intend to address.

Cross Default. A Raine investment vehicle and related vehicles have engaged, and may in the future engage, in fund- or asset-level financing whereby (i) the Raine investment vehicle and/or such vehicles are jointly responsible on a cross collateralized basis for the repayment of the financing and/or (ii) the commitments of investors in the Raine investment vehicle and/or such vehicles are pledged to secure the financing obtained for the benefit of the other such vehicles. When Raine calls capital to satisfy the indebtedness, an investor may contribute in excess of its pro rata share of the indebtedness if other investors in the relevant Raine investment vehicle or the investors in the related vehicles fail to honor their

commitments. While Raine intends for Raine investment vehicles, where appropriate, to enter into back-to-back agreements with related vehicles in respect of certain types of credit support, or otherwise seek to cause such related vehicles to act in a manner as if such a back-to-back agreement were in place, a Raine investment vehicle would still be subject to the risk of default by such other vehicles. Raine intends to enforce these arrangements for the benefit of the investors, but may not always be able to do so (including if a related vehicle defaults on its obligations to the Raine investment vehicle). The Raine investment vehicle could also be permitted to utilize its Credit Facility for the benefit of co-investors (including affiliated co-investors) that invest alongside the Raine investment vehicle in one or more investments. For example, the Raine investment vehicle could draw from a Credit Facility to fund such co-investor's pro rata share of an investment or expense related to an investment, intending to syndicate the borrowed amounts to such co-investor. In such circumstances, the Raine investment vehicle could be liable for such co-investor's default to the Credit Facility lender. Raine may have an incentive to cause such co-investment vehicles to engage in these or similar cross-collateralized arrangements, because the commercial terms available to such vehicles could be better than those available on a standalone basis.

Hedging Policies and Risks; Synthetic Investments. In respect of the Raine PE Funds, in connection with the financing of certain investments, a Raine PE Fund may employ hedging techniques designed to reduce the risks of such investments. Also, the Raine Hedge Funds may utilize a variety of financial instruments such as derivatives, options, swaps, caps and floors, forward contracts and futures contracts, both for investment purposes and for risk management purposes including, without limitation, to protect against adverse movements in interest rates, securities prices and currency exchange rates. The success of a Raine investment vehicle's hedging strategy will depend, in part, upon Raine's ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments being hedged. Since the characteristics of many investments change as markets change or time passes, the success of a Raine investment vehicle's hedging strategy will also be subject to Raine's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner.

While a Raine investment vehicle may enter into such transactions to seek to reduce risk, the Raine investment vehicle is not required to employ such hedging techniques in connection with its investments, and may be unable to anticipate all risks against which such hedges could be employed. In addition, such transactions have inherent risks associated with them, including the possible default by the counterparty to the transaction and the illiquidity of the instrument acquired by the Raine investment vehicle relating thereto. Although such transactions may reduce the Raine investment vehicle's exposure to, among other things, currency fluctuations or decreases in the value of investments, the costs and risks associated with these arrangements may reduce the returns that the Raine investment vehicle would have otherwise achieved if these transactions were not entered into by the Raine investment vehicle. For a variety of reasons, Raine may not seek to establish a perfect correlation between the hedging instruments utilized and the portfolio holdings being hedged. Such an imperfect correlation may prevent a Raine investment vehicle from achieving the intended hedge or expose the Raine investment vehicle to risk loss. In addition, although such hedging transactions may hedge economic risks, they may not be effective hedges for tax purposes. For example, the tax character of the gain or loss on the hedging transaction may differ from the character of the gain or loss on the investment or the timing of the gain or loss for tax purposes may differ between the hedging transaction and the investment.

With respect to any investments in synthetic instruments, a Raine investment vehicle will have a contractual relationship only with the synthetic instrument counterparty, and no direct rights with respect to the underlying asset. The Raine investment vehicle may not have any voting, information, or other rights of ownership with respect to the underlying asset. In addition, the Raine investment vehicle will be subject to the credit risk of the synthetic instrument counterparty, and, in the event of the insolvency of such counterparty, the Raine investment vehicle generally will be treated as a general creditor of such counterparty, and will not have any claim of title with respect to the underlying asset. Changes to the regulations applicable to the financial instruments that a Raine investment vehicle may use to accomplish

its hedging strategy could affect the effectiveness of that strategy. For additional information on these regulatory changes, please refer to the offering documents and/or governing documents of the relevant Raine investment vehicle.

Reliance on the Management of Portfolio Companies. Although Raine will attempt to invest in portfolio companies with strong management teams, there can be no assurance that any portfolio company's management team will be able to operate successfully. Instances of fraud and other deceptive practices committed by the management team of portfolio companies in which the Raine investment vehicles have an investment may undermine Raine's due diligence efforts with respect to such companies. If such fraud is discovered, it could adversely affect the valuation of the Raine investment vehicles' investments and may contribute to overall market volatility that can negatively impact the Raine investment vehicles' investment portfolio. In addition, content and creative-focused businesses can involve significant key person risk, which Raine seeks to manage with its portfolio companies.

Advisors and Service Providers. A Raine investment vehicle and its portfolio companies may retain certain advisors and service providers (including accountants, administrators, lenders, bankers, brokers, attorneys, consultants, sourcing persons and investment or commercial banking firms) who may also provide services to or have other relationships with the Raine Group and its affiliates. These services may relate to sourcing, conducting due diligence on or developing potential investments, as well as structuring, managing, monitoring and disposing of investments. In many cases, these are the types of services that Raine employees could also provide or have in the past provided. Determining whether to engage a third party or a Raine employee gives rise to conflicts of interest because Raine generally bears the compensation costs of Raine employees who render these services, while amounts paid to third parties are typically a partnership expense ultimately borne by all partners. Raine therefore has an incentive to retain third parties rather than hire additional Raine employees and to outsource to third-party service providers functions that Raine employees could perform or have previously performed.

In addition, while Raine will generally seek to engage advisors and service providers on behalf of a Raine investment vehicle and its portfolio companies on the basis of the quality of advice and other services provided, these relationships with its advisors and service providers may influence Raine in deciding whether to select or recommend an advisor or service provider to perform services for a Raine investment vehicle and its portfolio companies (the cost of which will generally be borne directly or indirectly by a Raine investment vehicle and its portfolio companies, as applicable). In certain circumstances, advisors and other service providers may charge rates or establish other terms for advice and services provided to the Raine Group, affiliated funds or any of their affiliates or portfolio companies that are different and more favorable than those established in respect of advice and services provided to a Raine investment vehicle and its portfolio companies. Moreover, whereas Raine typically negotiates on a matter-specific basis the rates or amounts payable for such services, a Raine investment vehicle or its portfolio companies may sometimes pay higher rates or amounts than the Raine Group would for such services. In some cases, advisors and service providers may provide certain discounts that are based on volume and so certain Raine investment vehicles or portfolio companies may receive a greater discount than others depending on the timing of their transactions (e.g., if a transaction occurs early in a year it may not receive the same discount as a transaction that occurs later in the year). Similarly, the Raine Group, the Raine investment vehicles, portfolio companies and certain clients of the Raine broker-dealer and its affiliates may enter into agreements or other arrangements with vendors and other similar counterparties from time to time, whereby such counterparty may charge lower rates or provide discounts or rebates or enhanced services depending on the volume of transactions in the aggregate or other factors.

Reliance on Raine Management. The success of a Raine investment vehicle will depend in large part upon the skill and expertise of the Raine Group's key investment professionals. There can be no assurance that any individual professional will continue to be associated with a Raine investment vehicle. Should any of these professionals join or form a competing firm, become incapacitated or in some other

way cease to participate in investment activities of a Raine investment vehicle, its performance could be adversely affected.

The Raine Group's ability to recruit, retain and motivate such professionals is dependent on its ability to offer attractive incentive opportunities. Certain legislation has increased the holding period required in order for professionals to treat carried interest as capital gain, which may increase the amount of taxes such professionals would be required to pay with respect to their carried interest. If additional legislation were to be enacted to more broadly treat carried interest as ordinary income rather than as capital gain, the amount of taxes that such professionals would be required to pay with respect to their carried interest would materially increase, thereby adversely affecting the ability of a Raine investment vehicle to offer attractive incentive opportunities.

Alignment of Interest. A number of persons hold direct or indirect equity and other economic interests in the Raine Group, including in Raine's ultimate holding companies and certain other subsidiaries or vehicles that the Raine Group controls. While these persons mostly are current Raine employees or other individuals who are or have been involved in the activities and affairs of the Raine Group, some are third party investors, including current or potential investors in Raine investment vehicles, who are not involved in the Raine Group's day-to-day operations. Similarly, Raine may permit third-party investors to hold direct or indirect passive economic interests in other Raine-controlled vehicles, including entities Raine forms to exercise its rights or discharge its obligations under the governing agreements of Raine investment vehicles. Such Raine-controlled vehicles may be used to fund Raine's capital commitments to Raine investment vehicles, including the required minimum commitment, as well as any additional commitments permitted following the end of the fundraising period. These practices may have the effect of reducing the amount of capital contributed by persons responsible for operating Raine investment vehicles and lessening the alignment of interests between such persons and the investors.

Material, Non-Public Information. By reason of their responsibilities in connection with their other activities, the Raine Group, its affiliates and certain of the senior investment professionals from time to time acquire confidential or material non-public information or may be otherwise restricted from initiating transactions in certain securities. The Raine investment vehicles will not be free to act upon any such information. Due to these restrictions, the Raine investment vehicles may not be able to initiate a transaction that they otherwise might have initiated and may not be able to buy or sell an investment that they otherwise might have bought or sold.

Extensive Government Regulation. The extensive government regulation of certain industries in which the Raine investment vehicles may invest creates additional uncertainty and risks for the Raine investment vehicles. Obtaining regulatory approval may be a lengthy and expensive process with an uncertain outcome. Portfolio companies may be unable to obtain necessary regulatory approvals on a timely basis, if at all, and the failure to obtain approval could have a material, adverse effect on the success of the portfolio companies.

Increased Regulatory Oversight. The growth of the alternative investments industry and the increasing size and reach of transactions have prompted additional governmental and public attention, as well as pressure for greater governmental scrutiny and regulation of the alternative investments industry and its practices. It is uncertain as to what form and in what jurisdictions such enhanced scrutiny or regulation, if any, on the alternative investments industry may ultimately take. In addition, the financial services industry generally, and the activities of private investment funds and their managers, in particular, have been subject to intense and increasing regulatory oversight. Any such scrutiny or initiatives may have an adverse impact on the alternative investment industry generally or on Raine investment vehicles specifically. Such scrutiny may increase Raine's and the Raine investment vehicles' exposure to potential liabilities and to legal, compliance and other related costs. Increased regulatory oversight may impose administrative burdens on Raine, including, without limitation, responding to investigations and implementing new policies and procedures. Such burdens may divert Raine's time, attention and resources

from portfolio management activities. It is anticipated that, in the normal course of business, Raine's officers will have contact with governmental authorities and/or be subjected to responding to questionnaires or examinations. The Raine investment vehicles may also be subject to regulatory inquiries concerning their positions and trading. Any such regulation, including changes to the tax code, whether in the United States or abroad, could increase the cost of acquiring, holding or divesting portfolio investments, operating and effecting restructurings of portfolio companies and operating the Raine investment vehicles. Regulation could also increase the risk of third-party litigation. The transactional nature of the Raine investment vehicles' business exposes the Raine investment vehicles, Raine and its affiliates generally to the risks of third-party litigation. Under their respective governing agreements, the Raine investment vehicles will generally be responsible for indemnifying Raine and its affiliates for costs they may incur with respect to such litigation.

The implementation of the Dodd Frank Act has resulted in extensive rulemaking and regulatory changes that affect private fund managers, the funds that they manage and the financial industry as a whole. Pursuant to the Dodd Frank Act, the SEC has adopted rules that require additional reporting by registered investment advisers to private funds, which add costs to the legal, operations and compliance obligations of Raine and increase the amount of time that the Raine spends on activities other than investments.

The Dodd Frank Act affects a broad range of financial market intermediaries and other market participants with whom Raine investment vehicles interact or may interact. Regulatory changes that will affect other market participants are likely to change the way in which Raine investment vehicles conduct business with counterparties. Parts of the Dodd Frank Act, such as the "Volcker Rule," may affect the number and type of participants in the markets in which Raine investment vehicles may trade. It is difficult to anticipate the impact of these and other regulatory changes on Raine and the Raine investment vehicles. It may take years to understand the impact of the Dodd Frank Act on the financial industry as a whole, and, therefore, the continued uncertainty may make markets more volatile, and it may be more difficult for Raine to execute the investment strategy of its investment vehicles.

The AIFMD and the UK AIFMR. The Directive 2011/61/EU of the European Parliament and of the Council of June 8, 2011 on Alternative Investment Fund Managers together with Commission Delegated Regulation (EU) No 231/2013 supplementing Directive 2011/61/EU, as well as any similar or supplementary law, rule or regulation including any equivalent or similar law, rule or regulation implemented and applicable in the United Kingdom (the "UK") following its withdrawal from the European Union (the "EU"), or subordinate legislation or guidance thereto (as amended from time to time, the "UK AIFMR"), as implemented in any relevant jurisdiction, in all cases as amended from time to time (the "AIFMD") imposes requirements on AIFMs (as defined in the AIFMD) that market AIFs (as defined in the AIFMD) to professional investors who are domiciled or have a registered office within the European Economic Area (the "EEA") or the UK, as applicable. For these purposes a Raine client is a non-EEA and non-UK AIF and Raine is a non-EEA and non-UK AIFM.

The AIFMD allows member states to permit the marketing of non-EEA AIFs by non-EEA AIFMs in accordance with local laws, provided that local laws meet the requirements of Article 42 of the AIFMD. There is no requirement for member states to operate or maintain a national private placement regime and, if they do, the member state is free to impose stricter rules than the minimum requirements of Article 42 of the AIFMD. Where national private placement is permitted, the AIFM must comply with Article 22 (requirements relating to an annual report), Article 23 (prescriptive pre-investment and periodic disclosure to investors), Article 24 (relating to periodic reporting to regulators) and Articles 26 to 30 if applicable (the provisions relating to the acquisition and control of non-listed companies and issuers, including the asset-stripping rules). In addition to these minimum requirements, some jurisdictions require a non-EEA AIFM to comply with substantially all of the AIFMD or certain additional compliance requirements, such as the appointment of a depositary. Given that national private placement regimes are, by definition, a matter of national law, a non-EEA AIFM must comply with different regulatory requirements in different member states, both in respect of the initial process for seeking to market in that member state and with respect to

ongoing compliance. Since Raine, as a non-EEA entity, is not currently eligible for authorization and therefore cannot have the benefit of a marketing “passport”, it is required to comply with the national private placement regimes and other applicable rules of those EEA member states that allow private placement and in which interests in a fund are marketed and sold. Where Raine has marketed a fund in a member state in compliance with the national private placement regime and that marketing has resulted in investors in that member state investing in such fund, our ongoing compliance with the laws of that member state will continue at least until all of such investors dispose of their interests in such fund. Compliance with these requirements may therefore result in significant additional costs over the life of the funds and may reduce returns to investors. The rules, regulations and guidance related to the marketing of interests to investors domiciled or having their registered office in the EEA remain uncertain. Each of the Raine and/or our affiliates and agents has endeavored to comply with these uncertain and evolving rules as interpreted as of the date of this brochure, but there is not absolute certainty as to their successful compliance. In the event that Raine or any of our affiliates or agents is found to have breached the provisions of the AIFMD (inadvertently or otherwise), our firm and/or our affiliates (and/or a fund indirectly) may face regulatory sanctions as a result of its non-compliance. Such activities and sanctions may impact the enforceability of any subscriptions received from investors domiciled or resident in the EEA (including potential rescission rights with respect to such investors), result in significant costs and ultimately materially and adversely affect such fund, its financial condition, liquidity, reputation and operations. Certain EEA member states have announced their intention to abolish their national private placement regimes in the near future. The abolition of such regimes may further limit the territories in which a fund may seek investors. In the future, Raine (or an associate) may be compelled to seek, or it may determine that it should seek, authorization as an AIFM in an EEA member state (should that option become available) and/or under a similar regime elsewhere. This would entail compliance with all requirements of the AIFMD (and/or with similar requirements of a similar regime). In such circumstance, the AIFM of such fund would become subject to additional requirements, such as rules relating to remuneration, minimum regulatory capital requirements, restrictions on the use of leverage, restrictions on investment in securitization positions, requirements in relation to liquidity and risk management, asset-stripping prohibitions, valuation of assets, etc. Such requirements could adversely affect a fund, among other things by increasing the regulatory burden and costs of operating and managing a fund and its investments. They could also have indirect ramifications. Any required changes to compensation structures and practices, for example, could make it harder for the AIFM and its affiliates to recruit and retain key personnel.

Following Brexit and subject to compliance with the UK AIFMR, AIFMs may market AIFs to professional investors who are domiciled or have a registered office within the UK pursuant to the UK national private placement regime. The UK AIFMR currently imposes compliance obligations that are broadly similar to those detailed in the above paragraph in connection with a non-EEA AIFM marketing a non-EEA AIF pursuant to the national private placement regimes of certain EEA member states. If within scope of the UK AIFMR, an AIFM must comply with rule 3.3 of the Investment Funds sourcebook (requirements relating to an annual report), rule 3.2 of the Investment Funds sourcebook (prescriptive pre-investment and periodic disclosure to investors), rule 3.4 of the Investment Funds sourcebook (relating to periodic reporting to regulators) and Part 5 of the UK AIFMR if applicable (the provisions relating to the acquisition and control of non-listed companies and issuers, including the asset-stripping rules).

Changes in the Political Environment of the United Kingdom and Europe. The global economy may be adversely affected by changes in the political environment of the United Kingdom and Europe. Following the result of the United Kingdom’s referendum on June 23, 2016, calling for the United Kingdom to withdraw from the European Union (“Brexit”) and the subsequent negotiation period to determine the terms of the United Kingdom’s ongoing relationship with the European Union post-withdrawal, and after several deadline extensions to the maximum two-year period for such negotiations, the United Kingdom ceased to be a member of the European Union on January 31, 2020 and entered into a transition period. This transition period lasted until December 31, 2020. The United Kingdom and the European Union agreed the EU-UK Trade and Cooperation Agreement 2020 (“EU-UK TCA”) on December 24, 2020. Following the expiry of the transition period on December 31, 2020, the EU-UK TCA now governs the trading

relationship between the United Kingdom and the European Union. The precise impact of the EU-UK TCA remains to be seen and a certain amount of political, legal, regulatory, tax and economic uncertainty is likely to persist. The announcement of Brexit and subsequent lengthy negotiation period leading up to the EU-UK TCA caused significant volatility in global stock markets and currency exchange rate fluctuations and Brexit's continuing or future macroeconomic effects could adversely affect the value of the Raine investment vehicles' portfolios and ability to access markets and limit the investment opportunities. In particular, difficult market conditions caused by the uncertainty created by the end of the transition period (including volatility in global stock markets and currency exchange rates) could limit investment opportunities in the United Kingdom, where the Raine investment vehicles are permitted to invest, to the extent that financing for portfolio investments is not available or is available only on unfavorable terms, potential target companies are unwilling or unable to raise capital as a result of Brexit's macroeconomic effects or if macroeconomic conditions adversely impact the financial condition of such borrowers or issuers, or if potential sellers or other counterparties are unwilling to enter into potential transactions with the Raine investment vehicles as a result of continuing market uncertainty. In addition, the United Kingdom's immigration policy (in respect of nationals of both the European Union and other countries) following Brexit remains subject to significant uncertainty as to how the new points-based immigration system, which now generally applies to both EEA citizens (who were not resident in the United Kingdom before the end of the transition period) and non-EEA citizens, will work in practice. Many of Raine's Europe-focused investment professionals are currently based in London, England and the adoption of any new immigration policies may adversely affect Raine's ability to attract and retain professionals in the United Kingdom.

Force Majeure. Portfolio companies may be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism, labor strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, demographic changes, government macroeconomic policies, social instability, etc.). Some force majeure events may adversely affect the ability of a party (including a portfolio company or a counterparty to a Raine investment vehicle or a portfolio company) to perform its obligations until it is able to remedy the force majeure event. In addition, forced events, such as the cessation of the operation of machinery for repair or upgrade, could similarly lead to the unavailability of essential machinery and technologies. These risks could, among other effects, adversely impact the cash flows available from a portfolio company, cause personal injury or loss of life, damage property, or instigate disruptions of service. In addition, the cost to a portfolio company or a Raine investment vehicle of repairing or replacing damaged assets resulting from such force majeure event could be considerable. Force majeure events that are incapable of or are too costly to cure may have a permanent adverse effect on a portfolio company. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or in any of the countries in which Raine investment vehicles may invest specifically. Additionally, a major governmental intervention into industry, including the nationalization of an industry or the assertion of control over one or more portfolio companies or its assets, could result in a loss to the Raine investment vehicles, including if the investment in such portfolio companies is canceled, unwound or acquired (which could be without adequate compensation). Any of the foregoing may therefore adversely affect the performance of a Raine investment vehicle and its investments.

Risk of Pandemics. The spread of infectious disease, together with any resulting travel restrictions or quarantines, could have a significant negative impact on the economy and the business activities of portfolio companies. In turn, this would adversely affect investment performance. There can be no assurance that any precautionary measures taken against infectious disease would be effective.

Most recently, the novel coronavirus ("COVID-19") began spreading globally in early 2020. The global outbreak of COVID-19 and the measures governmental agencies and the private sector have taken to contain it, including business closures, limitations on public gatherings, travel restrictions and

quarantines, have significantly disrupted the global economy and caused severe market dislocation and volatility. While Raine cannot accurately forecast COVID-19's ultimate impact at this time, Raine expects it will have a profound and lasting effect on investments and the ability of Raine to manage and pursue investments. For example, Raine anticipates the economic and market conditions resulting from the outbreak and corresponding containment efforts will materially and adversely affect the operations and financial position of a significant number of companies that fall within the scope of the Raine's investment strategies. In addition, COVID-19 and corresponding containment efforts will impair, potentially for an extended period of time, the ability of the Raine to monitor and manage portfolio companies as well as source investments to execute investment strategies.

In addition, the rapid and broad-based shift to a remote working environment creates inherent productivity, connectivity and oversight challenges. Governmental restrictions have been globally inconsistent and it is not clear when a return to worksite locations or travel will be permitted or what restrictions will be in place in those environments. In response to the spread of COVID-19, many businesses, including the Raine Group, have encouraged or mandated that their personnel work from home in an effort to help slow the spread of the pandemic, and such circumstances are expected to persist for a significant period of time. To the extent Raine's personnel, as a result of working remotely, rely more heavily on external sources for information and technology systems for their business-related communications and information sharing, Raine's business will be more vulnerable to cybersecurity incidents and cyberattacks, and other weaknesses in Raine's operational and control environment, and could have more difficulty resuming normal operations in the event it is the target of such incident or attack, or otherwise suffers a breakdown of operations or control. Given the extraordinary nature of COVID-19 and its inherent unpredictability, it may take years to understand the full scope of its ramifications. Future outbreaks of infectious disease or any other serious public health concern could have a similar material adverse impact on Raine and its portfolio companies.

U.S. Presidential Election. The outcome of the recent U.S. presidential and other elections in November 2020 creates significant uncertainty with respect to legal, tax and regulatory regimes in which Raine will operate. Changes in the composition of the U.S. government following the election may result in a number of changes to U.S. and non-U.S. fiscal tax and other policies, as well as the global financial markets generally. Any significant changes in, among other things, economic policy (including with respect to interest rates, foreign trade and regulatory changes leading to greater availability of bank debt), the regulation of the asset management industry, tax law, immigration policy and/or government entitlement programs could have a material adverse impact on the Raine's investment vehicles and its investments.

Sourcing of Investments. Raine expects to source a substantial volume of investment opportunities through its personnel, relationships and various platforms. To the extent these sourcing channels do not present Raine with a sufficient volume of investment opportunities, or the opportunities presented are not suitable for investment by the Raine Funds, fund performance will be adversely affected.

Material Risks of Significant Methods of Analysis. Raine seeks to conduct reasonable and appropriate due diligence based on the facts and circumstances applicable to each investment. The objective of the due diligence process is to identify attractive investment opportunities based on the facts and circumstances surrounding an investment and to identify possible risks associated with that investment. When conducting due diligence and making an assessment regarding an investment, Raine relies on available resources, including information provided by the target of the investment and, in some circumstances, third-party investigations. As a result, the due diligence process may at times be subjective with respect to newly organized companies for which only limited information is available. Accordingly, Raine cannot be certain that due diligence investigations with respect to any investment opportunity will reveal or highlight all relevant facts (including fraud) that may be necessary or helpful in evaluating such investment opportunity, including the existence of contingent liabilities. Also, Raine cannot be certain that its due diligence investigations will result in investments being successful or that the actual financial

performance of an investment will not fall short of the financial projections used when evaluating that investment.

Raine will generally establish the capital structure of an investment and the terms and base case projections of such investment on the basis of financial, macroeconomic, and other applicable projections. Projected operating results will normally be based primarily on investment professional judgments or third-party advice and reports. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the projections are developed. There can be no assurance that the projected results will be achieved, and actual results may vary significantly from the projections. General economic, natural, and other conditions, which are not predictable, can have an adverse impact on the reliability of such projections. Valuation models used to determine whether a position presents an attractive opportunity may become outdated and inaccurate as market conditions change. Assumptions or projections about asset lives; the stability, growth, or predictability of costs; demand; or revenues generated by an investment or other factors associated therewith may, due to various risks and uncertainties including those described herein, differ materially from actual results.

Cybersecurity Breaches and Identity Theft. The Raine investment vehicles and their respective portfolio companies may face cybersecurity threats to gain unauthorized access to sensitive information, including, without limitation, information regarding the Raine investment vehicles' investors and/or investment activities, or to render data or systems unusable, which could result in significant losses. If such events were to materialize, they could lead to losses of sensitive information or capabilities essential to Raine's, the Raine investment vehicles' and/or the portfolio companies' operations and could have a material adverse effect on their reputations, financial positions, results of operations, or cash flows, could lead to financial losses from remedial actions, loss of business, or potential liability, or could lead to the disclosure of investors' personal information. Cybersecurity attacks are evolving and include, but are not limited to, malicious software, attempts to gain unauthorized access to data, and other electronic security breaches that could lead to disruptions in critical systems, unauthorized release of confidential or otherwise protected information and corruption of data. Raine's or a portfolio company's controls and procedures, business continuity systems, and data security systems could prove to be inadequate. These problems may arise in both Raine's or a portfolio company's internally developed systems and the systems of third-party service providers.

Data Privacy and Security Laws. Jurisdictions in which Raine may invest have recently adopted, or are considering adopting, stringent data privacy and cybersecurity laws, including the General Data Protection Regulation in the European Union (or "GDPR"), the California Consumer Privacy Act, the New York SHIELD Act and a range of proposed additional laws at the federal level and in California, New York, Texas, Utah, Washington and other states. The cumulative effects the recently adopted laws include:

- an enhanced ability of individuals, relative to companies, to control the use of their personal data;
- increased obligations to maintain the security of data; and
- additional exposure to fines or damages for companies that do not accord individuals their specified privacy rights, that experience data breaches or that fail to maintain cybersecurity at certain levels.

Raine will endeavor to maintain systems that promote compliance with data privacy and security laws, both those adopted to date and those that may be adopted in the future, but there can be no assurance that these systems will be effective. Failure to comply with such laws could result in significant fines or damages that could have a material adverse effect on Raine investment vehicles.

Interest Rate Risks. Raine investment vehicles will have exposure to interest rate risks, meaning that changes in prevailing interest rates could negatively affect the value of a Raine investment vehicle.

Over any defined period of time, a Raine investment vehicle's interest-bearing assets may be more sensitive to changes in market interest rates than such Raine investment vehicle's interest earning liabilities, or vice versa. Factors that may affect market interest rates include, without limitation, inflation, slow or stagnant economic growth or recession, unemployment, money supply and the monetary policies of the Federal Reserve Board, international disorders and instability in domestic and foreign financial markets. If a Raine investment vehicle is unable to manage interest rate risk effectively, such Raine investment vehicle's performance could be adversely affected.

U.S. Federal Income Tax Reform. The Tax Reform Bill could have a significant impact on the taxation of an investment in the Raine investment vehicles and on the Raine investment vehicles' investments in portfolio companies. Changes include, among other things, (i) limitations on the deductibility of net interest expense, (ii) changes in the corporate tax rate, (iii) an expansion of the definition of controlled foreign corporation and a deemed repatriation of deferred earnings of a 10% owned foreign corporation, each of which may result in phantom income for investors in the Raine investment vehicles that are U.S. taxable persons, (iv) changes to the taxation of income derived outside the United States and (v) immediate expensing of expenditures for certain tangible property, all of which could affect the tax liability of portfolio companies and/or the Raine investment vehicles (including entities organized by the Raine investment vehicles to make investments in portfolio companies), as well as any returns attributable thereto. In addition, changes that could affect a particular investor's investment in the Raine investment vehicles include (i) limitations on the deductibility of state and local income taxes, (ii) the suspension of the deduction for miscellaneous itemized deductions, (iii) a reduced tax rate for certain partnership income, not including capital gains, qualified dividends or most interest income and (iv) changes in the tax treatment of a disposition of an interest in the entities treated as partnerships for U.S. federal income tax purposes so that gain or loss from such disposition by a non U.S. person that is an investor therein is treated as effectively connected income to the extent a sale of the underlying partnership assets would have resulted in income effectively connected with a U.S. trade or business, and a potential withholding tax on any disposition of such a partnership interest.

Moreover, the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), enacted on March 27, 2020 in response to the outbreak of COVID-19 and its consequences, introduced substantial changes to the Code and could affect the U.S. federal income tax consequences of an investment in a Raine Fund. For example, the CARES Act temporarily reduces limitations on the deductibility of business interest expense, temporarily eliminates limitations on the use of excess business losses and temporarily waives certain limitations on the use of net operating losses, in addition to making other changes.

Finally, President Biden has proposed the reversal of some portions of the Tax Reform Bill. The effects of these proposals, if enacted, may have adverse effects on Raine funds, their potential investments, and the investors.

ERISA. A Raine investment vehicle may hold "plan assets" subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). With respect to those plan assets, if any, Raine and certain related entities would be classified as "fiduciaries" under ERISA. ERISA imposes certain general and specific responsibilities and restrictions on fiduciaries with respect to plan assets. As a result, a Raine investment vehicle may be prohibited from entering into certain transactions if the investment would violate ERISA with respect to such Raine investment vehicle, or may be obligated to take certain actions or refrain from taking certain actions in order to avoid a violation of ERISA with respect to such Raine investment vehicle.

Insurance. The Raine investment vehicles will purchase or bear premiums, fees, costs and expenses (including any expenses or fees of insurance brokers) to insure the Raine investment vehicles, portfolio companies, Raine, the Raine broker-dealer and its affiliates, the Raine Group and their respective directors, offices, employees, agents, independent client representatives (if any) and members of the limited partner advisory committee (if any) and other indemnified parties (and in certain circumstances, such person's

agents and representatives), against liability in connection with the activities of the Raine investment vehicles. This includes a portion of any premiums, fees, costs and expenses for one or more “umbrella,” group or other insurance policies maintained by the Raine Group that cover one or more of those parties described above. Raine will make judgments about the allocation of premiums, fees, costs and expenses for such “umbrella” coverage among such parties on a fair and reasonable basis, in its sole discretion, and may make corrective allocations should it subsequently determine that such corrections are necessary or advisable.

Data. Raine and its affiliates receive or obtain various kinds of data and information from the Raine investment vehicles and their portfolio companies, including data and information relating to business operations, trends, budgets, customers and other metrics, some of which is sometimes referred to as “big data.” Raine may be better able to anticipate macroeconomic and other trends, and otherwise develop investment themes, as a result of its access to this data and information. Raine and its affiliates have entered and will continue to enter into information sharing and use arrangements, which may give Raine access to data that it would not otherwise obtain in the ordinary course, with portfolio companies and service providers. Although Raine believes that these activities improve Raine’s investment management activities on behalf of the Raine investment vehicles, information obtained also provides material benefits to Raine without compensation or other benefit accruing to the Raine investment vehicles or their investors. For example, information from portfolio companies owned by the Raine investment vehicles may enable Raine to better understand a particular sector and execute trading and investment strategies in reliance on that understanding for Raine, other Raine investment vehicles or clients of the Raine broker-dealer and its affiliates that do not own an interest in such portfolio companies, without compensation or benefit to the Raine investment vehicles or their portfolio companies.

Furthermore, except for contractual obligations to third parties to maintain confidentiality of certain information, and regulatory limitations on the use of material, non-public information, Raine and its affiliates are generally free to use data and information from the Raine investment vehicles’ activities to assist in the pursuit of Raine’s various other activities. Any confidentiality obligations in the governing documents of the Raine investment vehicles do not limit Raine’s ability to do so. For example, Raine’s ability to invest or trade in securities of an issuer relating to a specific sector may, subject to applicable law, be enhanced by information of a portfolio company in the same or related sector.

The sharing and use of “big data” and other information presents potential conflicts of interest and will not be subject to any management fee offset or be otherwise shared with the Raine investment vehicles. As a result, Raine and its affiliates have an incentive to pursue investments that have data and information that can be utilized in a manner that benefits Raine, its affiliates, other Raine investment vehicles and clients of the Raine broker-dealer and its affiliates.

Material Risks Associated with the Raine PE Clients and Raine Hedge Clients’ Private Investments

In addition to the material risks generally associated with the investment program of the Raine investment vehicles, the following material risks are some of the additional material risks associated with the investment programs of the Raine Funds and other Raine investment vehicles.

Improvements in Portfolio Companies. In many cases, the success of Raine’s investment strategy will depend, in part, on Raine’s ability to restructure and effect improvements in the operations of the portfolio companies held by the Raine investment vehicles. Identifying and implementing potential operating improvements involves a high degree of uncertainty, and there can be no assurance that Raine will be able to successfully identify and implement these improvements.

Competition for Investments. A Raine investment vehicle may encounter competition from entities having similar investment objectives. Potential competitors include other investment funds, business

development companies, strategic industry acquirers and other financial investors investing directly or through affiliates. Certain of these entities may possess competitive advantages over the Raine investment vehicles in bidding for investments, including greater financial, technical, marketing and other resources, higher risk tolerances, different risk assessments, lower return thresholds, lower cost of capital and access to funding sources unavailable to the Raine investment vehicles as well as an ability to achieve synergistic cost savings in respect of an investment. In addition, a substantial number of private equity and venture capital funds have been formed over the past several years, and many funds are substantial in size, resulting in an abundance of capital available for private equity and venture capital investment.

Illiquidity; Market for Investments. There will be no public market for certain of the Raine investment vehicles' investments in privately held entities, and a Raine investment vehicle's ability to dispose of any investment will in many cases be further limited by the agreements in connection with such investments. The ability of a Raine investment vehicle to sell or distribute securities and to realize investment gains will depend, in large part, upon favorable market conditions, including receptiveness to initial public offerings for the portfolio companies in which the Raine investment vehicles invest and an active mergers and acquisitions market. Initial public offering, merger and acquisition or other divestment opportunities may be limited or non-existent for extended periods of time, whether due to economic, regulatory or other factors. In view of these limitations on liquidity, which are illustrative and not exhaustive, a Raine investment vehicle will generally not be able to realize on an investment in a privately held entity until the sale of such entity. There can be no assurance that a Raine investment vehicle will be able to dispose of its investments at the price and at the time it wishes to do so. Furthermore, such illiquidity may continue even if the underlying entities obtain listings on securities exchanges.

General Cash Flow Risks. The principal investment objective of the Raine PE Clients and of the Raine Hedge Clients (solely with respect to private investments) will be to make investments in entities with prospects for capital appreciation. It is anticipated that a significant portion of the entities in which a Raine investment vehicle will invest will likely not provide the Raine investment vehicle with any significant cash distributions until the underlying property is sold or refinanced. Accordingly, a Raine investment vehicle will likely not be able to make any significant cash distributions to investors other than in connection with the liquidation of its investments.

Investments in Early-Stage and New Companies. Certain Raine investment vehicles, and in particular the Raine Venture Funds, have invested and are expected to continue to invest all or a portion of their assets in the securities of early-stage companies or entirely new companies. Investments in such early-stage or newly formed companies may involve greater risks than generally are associated with investments in more established companies. Less established companies tend to have lower capitalizations and fewer resources and, therefore, often are more vulnerable to financial failure. Many of these portfolio companies will need substantial additional capital to support expansion or to achieve or maintain a competitive position. Such companies also may have shorter operating histories on which to judge future performance, have untested management, and in many cases, if operating, will have negative cash flow. Start-up enterprises may not have significant or any operating revenues and any such investment should be considered highly speculative and may result in the loss of the applicable Raine investment vehicle's entire investment therein. There can be no assurance that any such losses will be offset by gains (if any) realized on the applicable Raine investment vehicle's investments. There may be no readily available market for the applicable Raine investment vehicle's investments, many of which may be difficult to value. Such portfolio companies may also face intense competition, including from companies with greater financial resources, more extensive marketing and service capabilities and a larger number of qualified personnel.

Moreover, the portfolio companies described above may have significantly fewer products, services or clients than more established companies, and competition with such portfolio companies may develop from other new and existing companies, products and services. If a portfolio company is dependent on a limited number of products or services or the business of a limited number of clients, a significant risk exists that a proposed service or product cannot be developed successfully with the resources available to

the portfolio company. There is no assurance that the development efforts of any portfolio company will be successful, or, if successful, will be completed within the budget or time period originally estimated. The consequences of failure of such products or services or the loss of such clients could be devastating to the prospects of such portfolio company, which in turn could negatively affect the performance of the applicable Raine investment vehicle.

Co-Investment and Third-Party Involvement. The Raine Funds and other Raine investment vehicles have co-invested and may in the future co-invest with certain investors and/or third parties through joint ventures or other entities, including Raine co-investment vehicles. Raine generally has discretion to determine to whom co-investment opportunities are offered. Raine's exercise of discretion in allocating co-investment opportunities may be more advantageous to some such investors relative to other such investors. Co-investors' and third parties' interests are not always aligned with a Raine Fund's interests and, if third party investors co-invest directly into a portfolio company, Raine's ability to control or influence such third parties will likely be more limited than if the co-investors were participating in a vehicle managed by Raine. Such investments may also involve risks in connection with such third-party involvement, including the possibility that a third-party co-venturer may have financial, legal or regulatory difficulties, resulting in a negative impact on such investment, may have economic or business interests or goals which are inconsistent with those of the Raine investment vehicle or may be in a position to take (or block) action in a manner contrary to the Raine investment vehicle's investment objectives. In addition, a Raine investment vehicle may in certain circumstances be liable for the actions of its third-party co-venturers. In those circumstances where such third parties involve a management group, such third parties may receive compensation arrangements relating to such investments, including incentive compensation arrangements. In addition, investors that participate in co-investments may be in a position to obtain additional information regarding the applicable portfolio company that may not generally be available to investors in the relevant Raine Fund. Raine co-investment vehicles formed for the purpose of pursuing a particular transaction lack the potential benefit of diversification and will be particularly exposed to the legal and financial risks associated with that transaction, including the risk of loss.

Bridge Financings. From time to time, the Raine investment vehicles lend to portfolio companies on a short- or long-term, unsecured basis, and frequently in anticipation of a future issuance of equity or long-term debt securities. Such bridge loans are typically convertible into a more permanent, long-term security. However, for reasons not always in the Raine investment vehicle's control, such long-term securities may not be issued and such bridge loans may remain outstanding. In such event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by the Raine investment vehicle.

Highly Structured Investments. A Raine investment vehicle (solely with respect to private investments) may invest all or a portion of its assets in highly structured investments, including mezzanine debt securities and distressed debt securities and the securities of portfolio companies that are experiencing financial difficulties. Such securities may have high credit and liquidity risk, have ratings below investment grade and be more sensitive to adverse economic and business developments than other securities. Distressed portfolio companies may require substantial additional capital to improve their financial condition, have higher amounts of leverage and may become involved in insolvency proceedings, which could increase volatility and could adversely affect the performance of the applicable Raine investment vehicle.

Investments in Restructurings. A Raine investment vehicle may make investments in restructurings that involve portfolio companies that are experiencing or are expected to experience financial difficulties. These financial difficulties may never be overcome and may cause such portfolio companies to become subject to bankruptcy proceedings. Investments in restructurings may be adversely affected by laws relating to, among other things, fraudulent conveyances, voidable preferences, lender liability and the bankruptcy court's discretionary power to disallow, subordinate or disenfranchise particular claims or recharacterize investments made in the form of debt as equity contributions. Such investments could, in certain

circumstances, subject the Raine investment vehicle to certain additional potential liabilities that may exceed the value of the Raine investment vehicle's original investments therein. For example, under certain circumstances, a lender who has inappropriately exercised control over the management and policies of a debtor may have its claims subordinated or disallowed or may be found liable for damages suffered by parties as a result of such actions. In addition, under certain circumstances, payments to a Raine investment vehicle and distributions by a Raine investment vehicle to investors may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance, preferential payment or similar transaction under applicable bankruptcy and insolvency laws.

Investments in Operating Turnarounds. In some cases, the success of a Raine investment vehicle's investment strategy will depend, in part, on the ability of the Raine investment vehicle to restructure and effect improvements in the operations of a portfolio company. The activity of identifying and implementing restructuring programs and operating improvements at portfolio companies entails a high degree of uncertainty. There can be no assurance that a Raine investment vehicle will be able to successfully identify and implement such restructuring programs and improvements.

Risks Associated with Publicly Traded Securities. A Raine investment vehicle may invest in publicly traded securities, and may hold publicly traded securities following a partial exit from an investment. When investing in public securities, the Raine investment vehicle may be unable to obtain financial covenants or other contractual rights, including management rights, that it might otherwise be able to obtain in making investments in private instruments. Moreover, the Raine investment vehicle may not have the same access to information in connection with investments in public securities, either when investigating a potential investment or after making an investment, as compared to investments in private instruments. Furthermore, the Raine investment vehicle would be limited in its ability to make investments, and to sell existing investments, in public securities if Raine has material, non-public information regarding the issuers of those securities or as a result of other internal policies. The inability to acquire or sell public securities in these circumstances could materially adversely affect the investment results of the Raine investment vehicle. In addition, the Raine investment vehicle may sell a Portfolio Company to a public company where the consideration received consists (at least in part) of stock of the public company, which may be subject to lock-up periods. A Raine investment vehicle's investments in securities of publicly traded companies may be sensitive to movements in the stock market and trends in the overall economy. Moreover, the ability of portfolio companies to refinance debt securities may depend on their ability to sell new securities in the public high yield debt market or otherwise.

Availability of Financing. A Raine Fund's ability to invest in portfolio companies may depend on the availability and terms of any borrowings that are required or desirable with respect to such investments. A decrease in the availability of financing (or an increase in the interest cost), whether due to adverse changes in economic or financial market conditions or a decreased appetite for risk by lenders, would impair the Raine Fund's ability to consummate these transactions and would adversely affect the Raine Fund's returns.

Additional Capital Requirements of Portfolio Companies. Certain portfolio companies, especially those in a development or "platform" phase, may require additional financing to satisfy their working capital requirements or acquisition strategies. The amount of such additional financing will depend upon the maturity and objectives of the particular portfolio company. Each such round of financing (whether from the Raine investment vehicles or other investors) is typically intended to provide a portfolio company with enough capital to reach the next major corporate milestone. If the funds provided are not sufficient, a company may have to raise additional capital at a price unfavorable to the existing investors, including the Raine investment vehicles. In addition, a Raine investment vehicle may make additional debt and equity investments or exercise warrants, options or convertible securities that were acquired in the initial investment in such company in order to preserve the Raine investment vehicle's proportionate ownership when a subsequent financing is planned, or to protect the Raine investment vehicle's investment when such portfolio company's performance does not meet expectations. The availability of capital is generally a

function of capital market conditions that are beyond the control of the Raine investment vehicles or any portfolio company. There can be no assurance that the portfolio companies will be able to predict accurately the future capital requirements necessary for success or that additional funds will be available from any source.

Asset Valuations. With certain limited exceptions, valuations of current income and disposition proceeds with respect to a Raine PE Client's investments and Raine Hedge Client's private investments will be determined by Raine in its sole discretion and will be final and conclusive for all such Raine investment vehicles. The Raine investment vehicles may not provide periodic pricing or valuation information to investors with respect to their investments.

Reserves. The General Partners of the Raine PE Funds typically establish reserves for anticipated follow-on investments by the applicable Raine PE Fund in portfolio companies, Raine PE Fund expenses, liabilities and other matters. Estimating the appropriate amount of such reserves is difficult, especially for follow-on investment opportunities, which are directly tied to the success and capital needs of portfolio companies. If reserves are inadequate, the applicable Raine PE Fund may be unable to take advantage of attractive follow-on or other investment opportunities or to protect its existing investments from dilutive or other punitive terms associated with so-called "pay-to-play" or similar provisions. If reserves are excessive, the applicable Raine PE Fund may decline attractive investment opportunities.

Investments Longer than Term. A Raine PE Fund may make investments that may not be advantageously disposed of, or have liabilities that may not be resolved, prior to the date that such Raine PE Fund will be dissolved, either by expiration of the Raine PE Fund's term or otherwise. Although the General Partner expects that investments will be disposed of prior to dissolution or be suitable for in-kind distribution at dissolution and the General Partner typically has a limited ability to extend the term of the applicable Raine PE Fund, that Raine PE Fund may have to sell, distribute or otherwise dispose of investments or resolve litigation or other contingent liabilities at a disadvantageous time as a result of dissolution. In addition, although upon the dissolution of the Raine PE Fund, the General Partner will be required to use its best efforts to reduce to cash and cash equivalents such assets of the Raine PE Fund as the General Partner shall deem it advisable to sell, subject to obtaining fair value for such assets and any tax or other legal considerations, there can be no assurances with respect to the time frame in which the winding up and the final distribution of proceeds to investors will occur.

Liabilities Upon Disposition. In connection with the disposition of an investment in a portfolio company, a Raine investment vehicle may be 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 may be responsible for the content of disclosure documents under applicable securities laws. It may also be required to indemnify the purchasers of such investment or underwriters to the extent that any such representations or disclosure documents turn out to be inaccurate. These arrangements may result in contingent liabilities, which will be borne by the Raine investment vehicle. In that regard, investors may be required to return amounts distributed to them to fund such obligations, including indemnity obligations. Furthermore, under the Delaware Revised Uniform Limited Partnership Act and the Delaware Limited Liability Company Act, each investor that receives a distribution in violation of such Acts will, under certain circumstances, be obligated to remit such distribution to the Raine investment vehicle.

Conflicts Involving Senior Advisors. Please see Item 5.C above for certain risks associated with senior advisors.

Allocation of Fees and Expenses for Broken Deals among Raine Investment Vehicles. In respect of allocating fees and expenses incurred in connection with "broken deals," or potential investments that Raine actively considers but does not consummate, Raine makes allocation decisions while a transaction is pending based on Raine's best judgment of which fund or funds will ultimately be allocated the transaction. This judgment is necessarily subjective, especially when a transaction is terminated particularly early on.

When an opportunity is terminated, absent a factual development to the contrary, the fees and expenses for such transaction will be allocated to such fund or funds. Investors may bear fees and expenses for a transaction that was terminated before such investors were admitted to an applicable Raine PE Fund. The financial position of the relevant funds may give Raine an incentive to allocate such fees and expenses to one fund and not another. For example, it may be advantageous to allocate broken deal fees and expenses to a fund that is not expected to pay carried interest to its General Partner, as the fees and expenses would not affect the amount of carried interest paid—it would be zero in any case. Conversely, it would be disadvantageous as an economic matter to allocate broken deal fees and expenses to a fund that is paying carried interest, as doing so would delay or reduce the amount of carried interest paid to the relevant General Partner. As with Raine's other allocation decisions, Raine's allocations procedures and principles are designed to mitigate the risk that financial incentives improperly influence the allocation of broken deal fees and expenses. In addition, in certain instances Raine will evaluate investment opportunities that, if consummated, would likely be offered in part to prospective co-investors (often via Raine-sponsored co-investment vehicles). As a general matter, absent a specific agreement with one or more such prospective co-investors to the contrary, no co-investor will bear broken deal expenses until and unless such person is contractually committed to do so, which typically occurs only once Raine accepts the prospective co-investor into the applicable Raine co-investment vehicle or the person is otherwise committed to invest in the prospective co-investment, neither of which generally occurs until shortly prior to the expected consummation, or contemporaneously with the consummation of, the applicable co-investment transaction. As a result, the full amount of any expenses and fees relating to such potential but not consummated investment will typically be allocated entirely to the applicable Raine Fund that would have participated in such investment, rather than to any prospective co-investors.

Conflicts relating to the Limited Partner Advisory Committee. Certain transactions that would otherwise be prohibited by the governing documents of a Raine PE Fund, including certain transactions that involve potential conflicts of interest between a Raine PE Fund and other Raine investment vehicles, may be effected with the approval of the applicable limited partner advisory committee. Some or all of the members of the limited partner advisory committee may also be on the limited partner advisory committee of such other fund or funds with which there is a potential conflict or may represent investors that have an interest in both the applicable Raine PE Fund and such other fund or funds. Such limited partner advisory committee members will not be precluded from participating in discussions with respect to, or from voting on, such transactions that involve potential conflict of interests.

Conflicts relating to the Review Committee. Raine has complete discretion as to whom to appoint to the review committee of a Raine Hedge Fund. Certain transactions that would otherwise be prohibited by the legal documents of the Raine Hedge Funds, including certain transactions that involve potential conflicts of interest between the Raine Hedge Funds and other funds sponsored or managed by affiliates of the Raine, may be effected with the approval of the review committee. Some or all of the members of the review committee may also be on similar committees of such other funds with which there is a potential conflict or may be associated with the Raine Group or have economic or voting interests in the Raine Group as a whole, and their interests may thus diverge, or conflict with, the interests of other investors. Such review committee members will not be precluded from participating in discussions with respect to, or from voting on, such transactions that involve potential conflict of interests, and each review committee member can take into consideration solely its interests in discharging its duties. Accordingly, the review committee can make decisions that benefit its members, the Raine Hedge Funds or the Raine Group, even if they are adverse to other investors.

Allocation of Co-Investment Opportunities. The General Partner or Managing Member, as applicable, intends, where appropriate, to offer investors or third parties the opportunity to invest alongside the Raine Funds, or "co-invest," in an investment that a Raine Fund is (or Raine Funds are) making. The General Partner or Managing Member, as applicable, is under no obligation to provide co-investment opportunities to any party, including investors, and has discretion to determine to whom and in what proportion it will offer and award co-investment opportunities. Accordingly, Raine is permitted to offer,

and has from time to time offered, co-investment opportunities to some investors but not all of them in accordance with its internal policies and procedures and the Raine Funds' governing documents. In addition, allocations of co-investment opportunities to investors (if any) will not necessarily correspond to their pro rata interests in an applicable Raine Fund. Investors and/or other persons may make such co-investments on terms and conditions that are different from each other and the investment by the applicable Raine Fund, and these terms may be more or less favorable to such investors and/or other persons, including with respect to fees, expenses, carried interest and other material terms. Potential co-investors will typically not bear any transaction costs of investments that are not consummated or be subject generally to the same risks to which the applicable Raine Fund is subject throughout the investment process. In addition, co-investors may be subject to different liquidity terms than investors in the applicable Raine Fund, and typically can elect whether or not to participate in follow-on investments. Furthermore, distributions of income and proceeds related to each co-investment will be made separately from, and not aggregated with, distributions related to the applicable Raine Fund's corresponding investment. The General Partner or Managing Member, as applicable, may also offer co-investment opportunities on a systematic basis to one or more investors or other persons that make sizable investments in and/or commitments to the Raine Group, to Raine investment vehicles or to other persons or for other reasons, and may for administrative convenience or otherwise form one or more special co-investment vehicles for this purpose. The exercise of such co-investment rights may limit the amount of the investment opportunity available to the applicable Raine Fund and may limit the amount of co-investment opportunities available to other potential co-investors. In addition, the General Partner or Managing Member, as applicable, may offer co-investment opportunities to its consultants, service providers and advisors in portfolio companies for which such consultant, service provider or advisor provides services. The size of such co-investment opportunities will depend, in part, on the level of participation in respect of sourcing, evaluating and negotiating a particular portfolio company. The General Partner or Managing Member, as applicable, the Raine Group or any of their respective affiliates may make an investment, or otherwise participate, in any co-investment entity. A Raine Fund may temporarily warehouse a portion of an investment opportunity in order to facilitate a co-investment by one more affiliated or third-party co-investors. The co-invest buy-down generally occurs shortly after the applicable Raine Fund's completion of the investment to avoid any changes in valuation of the investment. Such co-investors or Raine co-investment vehicles typically dispose of their investments in the applicable portfolio company at the same time and on the same terms as the Raine Fund making the investment. If such co-investment and co-invest buy-down are not ultimately consummated, the applicable Raine Fund may end up holding a larger portion of such investment than it otherwise expected to hold. When a Raine Fund invests alongside affiliated funds, the applicable Raine Fund may warehouse all or a disproportionate amount of an expected co-investment opportunity. The risk of a co-investment not being consummated may increase in the event an investment decreases in value during the warehousing period, and the applicable Raine Fund will typically be required to bear the losses in connection with any such investment.

Controlled Group Liability. The provision of managerial assistance to a portfolio company could result in the applicable Raine Fund being characterized as a "trade or business" for purposes of ERISA controlled group liability, and, in cases where the applicable Raine Fund has a significant ownership interest (generally 80% or more) in such portfolio company, there is a potential risk that the applicable Raine Fund and any portfolio company could be subject to controlled group liability under ERISA. These liabilities generally include funding obligations to single-employer pension plans and withdrawal liability from union-sponsored multiemployer pension plans. In July 2013, the U.S. Federal Court of Appeals for the First Circuit held that the portfolio company management activities of a private equity fund could cause the fund to be regarded, for ERISA controlled group liability purposes, as engaging in a "trade or business" (the "[2013 Sun Capital Case](#)"). Further, in March 2016, the U.S. District Court for the District of Massachusetts held that affiliated private equity funds investing in the same portfolio company may form a "partnership-in-fact." The District Court found that the affiliated funds forming the de facto partnership would be subject to controlled group liability if the funds together held 80% or more of the portfolio company in question (the "[2016 Sun Capital Case](#)"). While, in November 2019, the U.S. Federal Court of Appeals for the First Circuit reversed the U.S. District Court for the District of Massachusetts' finding that

a “partnership-in-fact” existed between the affiliated Sun Capital funds, it did indicate that courts might imply a “partnership-in-fact” depending on the relevant facts and circumstances, including control, conduct and structure (together with the 2013 Sun Capital Case and the 2016 Sun Capital Case, the “Sun Capital Cases”). Although the extent of the impact of the holdings in the Sun Capital Cases is unclear, the possibility of trade or business characterization remains a risk for the Raine Funds and private equity funds generally, especially in the First Circuit. Furthermore, the ownership interest of the Raine Funds in some or all of their portfolio companies could be sufficient to create a controlled group relationship, especially if the ownership interests of related and/or parallel funds are aggregated when applying the controlled group ownership tests. Although many practitioners believe that such aggregation should not be required, there is some risk that a court might find otherwise, especially in the District of Massachusetts.

Platform Companies. Raine investment vehicles have established and invested in, and may in the future establish or invest in, portfolio companies that in turn seek to acquire interests in related companies or assets. Raine may structure these portfolio companies, which it refers to as “platform companies,” as operating joint ventures, holding companies, partnerships, structured finance vehicles, incubators, start-up and other platform companies or other similar arrangements. In the event a Raine investment vehicle made such an investment, it generally would be expected that such Raine investment vehicle would monetize its investment in a platform company through a sale or public offering of the platform company (or the Raine investment vehicle’s interest in the company) or through sales of the platform company’s underlying assets.

While a Raine investment vehicle would typically be involved in the strategy, governance and oversight of any platform company, a platform company would also typically retain its own qualified management team to operate, administer and manage the company on a daily basis, including by sourcing the underlying assets. Such a management team would provide services that are similar to, and that may overlap with, services Raine provides to Raine investment vehicles. Members of the management team may render services exclusively to the platform company or provide the same or similar services to unaffiliated third parties, other portfolio companies and Raine investment vehicles. A platform company may compensate its management team in a number of ways, including through annual salaries and bonuses, incentive-based compensation (such as profits interests, promote, equity, options and warrants), fees for services, or for forwarding to unaffiliated third parties or other Raine investment vehicles or their portfolio companies any investment opportunity that Raine reasonably believes is not suitable for the investment vehicles or such platform company (e.g., because the investment does not have a risk or return profile compatible with Raine’s investment objectives). In any case, a Raine investment vehicle would generally bear the cost of such compensation, as well as all other platform company expenses, including start up, operating and overhead expenses, through its indirect interest in the platform company, and such compensation would be in addition to, and would not offset, the management fee payable by investors (regardless of whether the Raine investment vehicle, any other Raine fund portfolio company or any unaffiliated third party pays).

A platform company’s structure and relationship to Raine creates conflicts of interest. For example, although Raine (by virtue of its control of its investment vehicles) would form the platform company and in doing so may determine or significantly influence the form and amount of compensation paid to a platform company’s management team, the platform company (and ultimately a Raine investment vehicle) bears the attendant expense. As with senior investment professionals, the close business or personal relationships that Raine may have with certain members of management give it less incentive to limit their compensation. In addition, given that Raine (and not the Raine investment vehicles) otherwise pays the salaries of its employees, Raine has the incentive to cause a platform company to retain its own management team instead of relying on Raine’s employees to provide managerial services, or to convert existing employees of Raine into members of a platform company’s management team.

Non-Controlling Investments. Raine expects to be actively involved with the portfolio companies of the Raine PE Clients and Raine Hedge Clients (solely with respect to private investments) and, in some cases, a representative of Raine will serve on a portfolio company’s board of directors. However, the Raine

investment vehicles will typically hold non-controlling interest in their portfolio companies and, therefore, may have a limited ability to protect their positions in, or influence the direction of, such portfolio companies.

The activities of the Raine investment vehicles on behalf of their portfolio companies (for example, advising on business strategy, introductions to potential partners, etc.) frequently benefit all investors in the portfolio companies, and not only the applicable Raine investment vehicle(s) that are typically minority investors. However, in general, the expenses of such activities will be borne only by the applicable Raine investment vehicles, as Raine generally does not seek reimbursement for any such expenses directly from the portfolio companies.

Director Conflicts and Liability. A Raine PE Fund or Raine Hedge Fund (solely with respect to private investments) may obtain the right to appoint one or more representatives to the board of directors (or similar governing body) of a portfolio company. While the interests of the Raine Fund as a shareholder in a portfolio company generally align with the interests of shareholders more broadly, it is possible that the fiduciary duties to the portfolio company and its shareholders of Raine-appointed directors will conflict with the interests of the Raine Funds. For example, it may be inconsistent with a director's fiduciary duties to share information he/she receives regarding the relevant portfolio company with Raine personnel overseeing an investment in a different portfolio company even though that information would be beneficial to the other portfolio company and hence the Raine Funds.

Serving on the board of directors (or similar governing body) of a portfolio company exposes the Raine Funds' representatives, and ultimately the Raine Funds, to potential liability. Not all portfolio companies may obtain insurance with respect to such liability, and the insurance that portfolio companies do obtain may be insufficient to adequately protect officers and directors from such liability.

Interactions with Other Portfolio Companies. Portfolio companies of Raine investment vehicles are typically not Raine affiliates for purposes of the governing agreements of Raine investment vehicles. As a result, the restrictions and conditions in the governing agreements that relate specifically to Raine affiliates do not apply to Raine portfolio companies, even if Raine has a significant economic interest in a portfolio company and/or ultimately controls it through Raine's control of the relevant investment vehicle. For example, in the event that a portfolio company of a Raine investment vehicle enters into a transaction with a portfolio company of another Raine investment vehicle, such transaction generally would not trigger the advisory committee disclosure, review or approval provisions of the governing agreements applicable to transactions with affiliates. Also, if a Raine investment vehicle establishes a platform company, investment opportunities that the platform company management sources for the platform company will not be offered to another Raine investment vehicle.

Special Purpose Acquisition Companies. A special purpose acquisition company (a "SPAC") is a publicly traded company formed for the purpose of raising capital through an initial public offering to fund the acquisition, through a merger, capital stock exchange, asset acquisition or other similar business combination, of one or more undervalued operating businesses. Capital raised through the initial public offering of securities of a SPAC is typically placed into a trust until the target company is acquired or a predetermined period of time elapses. Investors in a SPAC are subject to the risk that, among other things, (i) such SPAC may not be able to locate or acquire target companies by the deadline, (ii) assets in the trust may be subject to third-party claims against such SPAC, which may reduce the per share liquidation price received by the investors in the SPAC, (iii) such SPAC may be exempt from the rules promulgated by the SEC to protect investors in "blank check" companies, such as Rule 419 promulgated under the Securities Act, so that investors in such SPAC may not be afforded the benefits or protections of those rules, (iv) the value of any target company may decrease following its acquisition by such SPAC, and (v) if the SPAC is unable to consummate a business combination, public stockholders will be forced to wait until the deadline before liquidating distributions are made. In addition, most SPACs are illiquid and have a concentrated shareholder base that tends to be comprised of hedge funds (at least at inception).

Material Risks Associated with the Raine Hedge Funds

In addition to the material risks generally associated with the investment program of the Raine investment vehicles, the following material risks are some of the additional material risks associated with the investment programs of the Raine Hedge Funds, particularly regarding public investments.

Frequent Trading. The investment programs of the Raine Hedge Funds involve frequent trading of securities, which can affect the investment performance of the Raine Hedge Funds, particularly through increased brokerage and other transactions costs and taxes.

Illiquid Investments. Although Raine primarily expects the Raine Hedge Funds to make investments in liquid securities, the Raine Hedge Funds may make investments in restricted securities (e.g., in connection with an IPO) or market and other conditions may create illiquidity not anticipated by Raine. Accordingly, the Raine Hedge Funds may not be able to readily dispose of such investments nor is there any guarantee that the Raine Hedge Funds will be able to realize what Raine believes to be the fair value of the assets in the event of a sale. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale. In addition, in times of extreme market disruption, there may be no market at all for one or more asset classes, potentially resulting in the inability of the Raine Hedge Funds to dispose of their assets for an indefinite period of time. An investment in the Raine Hedge Funds is suitable only for certain sophisticated investors who do not require immediate liquidity for their investments.

Eurozone Risks. The Raine Hedge Funds from time to time invest in European assets and companies and companies that have operations that may be affected by the Eurozone economy. Macroeconomic events in the Eurozone could adversely affect the Raine Hedge Funds' performance. Recent concerns regarding the sovereign debt of various Eurozone countries and proposals for investors to incur substantial write-downs and reductions in the face value of sovereign debt have given rise to new concerns about sovereign defaults, the possibility that one or more countries might leave the European Union or the Eurozone and various proposals (still under consideration and unclear in material respects) for support of affected countries and the Euro as a currency. The outcome of this situation cannot yet be predicted. Sovereign debt defaults and European Union and/or Eurozone exits could have material adverse effects on investments by the Raine Hedge Funds in European companies, while austerity and other measures introduced in order to limit or contain these issues may themselves lead to economic contraction and result in adverse effects for the Raine Hedge Funds and their investments. It is possible that some of the Raine Hedge Funds' investments may be denominated in Euro. Legal uncertainty about the funding of Euro-denominated obligations following any breakup of or exits from the Eurozone (particularly in the case of investments in companies in affected countries) could also have material adverse effects on the Raine Hedge Funds.

Investments in Emerging Market Countries. The Raine Hedge Funds may make investments in emerging market countries. Investments in emerging market countries may be subject to more substantial risks in political and macro-economic conditions, such as significant currency fluctuations, changes in governmental controls over the economy and high rates of inflation that cannot be predicted by Raine. Many emerging market countries have experienced these problems in the past. There can be no assurance that a recurrence of such problems will not have a materially adverse effect on the Raine Hedge Funds' investments. Moreover, the economies of emerging market countries generally are more heavily dependent upon international trade than developed market countries and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. Expropriation, confiscatory taxation, nationalization, political, economic or social instability or other developments could adversely affect the assets of the Raine Hedge Funds held in particular emerging market countries.

MiFID II. The package of European Union market infrastructure reforms known as “MiFID II” increased regulation of trading platforms and firms providing investment services in the European Union. Among its many market infrastructure reforms, MiFID II brought in: (i) significant changes to pre- and post-trade transparency obligations applicable to financial instruments admitted to trading on EU trading venues (including a new transparency regime for non-equity financial instruments); (ii) an obligation to execute transactions in shares and derivatives on an EU regulated trading venue; and (iii) a new focus on regulation of algorithmic and high frequency trading. These reforms may lead to a reduction in liquidity in certain financial instruments over time, as some of the sources of liquidity exit European markets, and may result in significant increases in transaction costs.

Although the full impact of these reforms is difficult to assess at present, it is possible that the resulting changes in the available trading liquidity options and increases in transactional costs may have an adverse effect on the ability of the Raine to execute the investment program.

New rules requiring unbundling the costs of research and other services from dealing commission and further restrictions on the Raine’s ability to receive certain types of goods and services from brokers may also result in an increase in the investment-related expenditure of the Raine Hedge Funds.

Short Selling. The Raine Hedge Funds’ investment programs include short selling. Short sales may be made, for example, if Raine believes the securities or instruments are overpriced relative to their intrinsic or fundamental value or to other securities or indices that may provide a hedge, or are expected to depreciate in value due to a catalyzing event or change in circumstances. In addition, short positions may be taken if, in the view of Raine, such positions will reduce the risk inherent in taking long positions. The extent to which the Raine Hedge Funds engage in short sales will depend upon their investment strategies and perception of market direction. An uncovered short sale of an instrument involves the risk of an increase in the market price of the instrument, which could result in an inability to cover the short position or a substantial and theoretically unlimited loss, while the prospective gain on such short sale generally is limited to the proceeds of such sale. There can be no assurance that the Raine Hedge Funds will be able to maintain the ability to borrow securities sold short. In such cases, the Raine Hedge Funds can be “bought in” (i.e., forced to repurchase securities in the open market to return to the lender). Furthermore, there can be no assurance that securities or instruments necessary to cover a short position will be available for purchase. Purchasing securities to close out a short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. The rules affecting short sales in the U.S. and other jurisdictions are constantly evolving in ways that have restricted or may restrict the ability of the Raine Hedge Funds to engage in short selling. It is impossible to predict what, if any, changes to the rules affecting short sales may occur in the future, but any new regulation could have a materially adverse impact on the ability of the Raine Hedge Funds to achieve their investment strategies.

Options. The Raine Hedge Funds may incur risks associated with the sale and purchase of call options. The Raine Hedge Funds’ options transactions may be part of a hedging strategy (i.e., offsetting the risk involved in another position), a form of leverage or an investment made pursuant to the Raine Hedge Funds’ investment strategies. The risk/return profile of an option may vary depending on the characteristics of the relevant transaction. The seller (writer) of a call option which is covered (e.g., the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received, and gives up the opportunity for gain on the underlying security above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The securities necessary to satisfy the exercise of an uncovered call option may be unavailable for purchase, except at much higher prices, thereby reducing or eliminating the value of the premium. Purchasing securities to cover the exercise of an uncovered call option can cause the price of the securities to increase, thereby exacerbating the loss. The buyer of a call option assumes the risk of losing its entire premium investment (plus transaction costs) in the call option. An option’s time value (i.e., the component of the option’s value that exceeds the in-the-money amount) tends to diminish over time.

Even though an option may be in-the-money to the purchaser at various times prior to its expiration date, the purchaser's ability to realize the value of an option depends on when and how the option may be exercised. The Raine Hedge Funds may incur risks associated with the sale and purchase of put options. The seller (writer) of a put option which is covered (e.g., the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sales price (in establishing the short position) of the underlying security plus the premium received, and gives up the opportunity for gain on the underlying security if the market price falls below the exercise price of the option. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option. The buyer of a put option assumes the risk of losing its entire investment (plus transaction costs) in the put option. Over-the-counter ("OTC") options may also expose the Raine Hedge Funds to counterparty risk.

Over-the-Counter Derivatives. The Raine Hedge Funds may enter into OTC derivatives. OTC derivatives are not traded on exchanges and are not standardized; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Depending on their structure, OTC derivative agreements may increase or decrease the Raine Hedge Funds' exposure to long-term or short-term interest rates, foreign currency values, corporate borrowing rates or other factors. OTC derivatives can take many different forms and are known by a variety of names. The Raine Hedge Funds are not limited to any particular form of OTC derivative agreement if consistent with the Raine Hedge Funds' investment objectives and policies.

Depending on how they are used, OTC derivatives may increase or decrease the overall volatility of the Raine Hedge Funds' portfolio. The most significant factor in the performance of OTC derivative agreements is the change in the specific interest rate, currency or other factors that determine the amounts of payments due to and from the Raine Hedge Funds. If an OTC derivative agreement calls for payments by the Raine Hedge Funds, the Raine Hedge Funds must be prepared to make such payments when due.

Seeking exposure to reference assets through OTC derivatives presents risks different from those involved in direct investments in such types of assets. Many OTC derivatives contracts are not centrally cleared, meaning that the Raine Hedge Funds would have a contractual relationship only with the OTC derivatives contract counterparty, and not a clearinghouse or the reference entity obligated under the reference obligation. The Raine Hedge Funds may have no right to enforce compliance by the reference entity with the terms of the reference obligation and may not have any voting or other consensual rights of ownership with respect to the reference obligation. The OTC derivatives contract counterparty generally will not be obligated to own any of the reference obligations. If the OTC derivatives contract is cash settled, the counterparty will not be obligated to deliver any of the reference obligations. In addition, if a counterparty's creditworthiness declines, the value of OTC derivatives with such counterparty can be expected to decline, potentially resulting in losses by the Raine Hedge Funds. Disputes can also arise regarding the settlement prices of OTC derivatives.

The principals who deal in the OTC derivatives markets are not required to continue to make markets in the asset classes they trade and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have refused to quote prices for certain asset classes or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Unlike participants in other markets (such as the securities markets), participants in many OTC derivatives markets are not subject to any obligation to provide the best price or charge reasonable mark-ups or fees.

Disruptions can occur in the OTC derivatives markets traded by the Raine Hedge Funds due to unusually high trading volume, political intervention or other factors. The imposition of controls by governmental authorities might also limit such OTC trading to less than that which Raine would otherwise recommend, to the possible detriment of the Raine Hedge Funds. Market illiquidity or disruptions may also (a) prevent or delay the calculation of amounts payable under the Raine Hedge Funds' OTC derivatives

or the Raine Hedge Funds' ability to make or receive payments or deliveries and/or (b) result in the application of alternative valuation and settlement mechanisms. The terms and conditions of the Raine Hedge Funds' OTC derivatives may specify alternative methods, or "disruption fallbacks," that apply when such disruption events occur. The application of these disruption fallbacks may be subject to discretionary determinations by a calculation agent, which may involve subjective judgment and uncertainty and have a significantly detrimental effect on the economics of the Raine Hedge Funds' OTC derivatives.

The reference rates or prices for OTC derivatives may be compiled by an industry association, a government agency or central bank, exchange, clearinghouse, price reporting agency or determined by a designated calculation agent, including based on submissions from financial institutions and other market participants (including participants trading for their own accounts and for customers) or quoted prices or yields of fixed income securities or interest rate swaps. Depending on the manner in which a reference rate or price is calculated and by whom, the reference rate or price can be affected by the particular circumstances of submitting institutions or the supply and demand conditions for particular reference assets or instruments. The integrity of the reference rate or price may also be impaired by unrepresentative data, conflicts of interest or market disruption. The body responsible for defining and compiling a reference rate or price may also make methodological or other changes that could change the value of the reference rate or price or may alter, discontinue or suspend calculation or dissemination of the reference rate or price. As a result of such circumstances, the reference rates or prices for the Raine Hedge Funds' OTC derivatives could diverge from the broader market environment in unexpected ways not taken into account as part of Raine's investment strategy, which could adversely affect the performance of that strategy. In addition, wide-ranging government investigations have resulted in allegations of misconduct against major financial institutions in connection with their benchmark setting and related trading activities. Any such misconduct could adversely affect the results of the Raine Hedge Funds' trading in OTC derivatives that reference these benchmarks. The OTC derivatives market has been an area of increased regulatory focus, and changes to the regulation of OTC derivatives could increase transaction costs and adversely affect the ability of Raine to pursue effective investment strategies involving OTC derivatives.

Systemic Risk. Systemic risk is the risk of broad financial system stress or collapse triggered by the default of one or more institutions, which results in a series of defaults by other interdependent financial institutions. Financial intermediaries, such as clearinghouses, banks, securities firms and exchanges with which the Raine Hedge Funds interact, as well as the Raine Hedge Funds themselves, are all subject to systemic risk. A systemic failure could have material adverse consequences on the Fund and on the markets for the securities in which the Raine Hedge Funds seek to invest.

Other Derivative Instruments. The Raine Hedge Funds may take advantage of opportunities with respect to certain other derivative instruments that are not presently contemplated for use or that are currently not available, but that may be developed, to the extent such opportunities are both consistent with the investment objectives of the Raine Hedge Funds and legally permissible. Special risks may apply to instruments that are invested in by the Raine Hedge Funds in the future that cannot be determined at this time or until such instruments are developed or invested in by the Raine Hedge Funds. Certain swaps, options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty, legal risk and operations risk. Certain derivative instruments (including options, swaps and other instruments) may be treated for U.S. federal income tax purposes as giving rise to dividend equivalent payments subject to U.S. withholding tax to the extent paid to or allocated to foreign persons. In certain circumstances such withholding taxes may become due retroactively as a result of events that occur after the date such derivatives are entered into, and the gross dividend equivalent payments subject to withholding tax may exceed the net amount of payments due to the Raine Hedge Funds.

Counterparty Risk. The Raine Hedge Funds are subject to the risk of the inability of any counterparty to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes.

If one or more of the Raine Hedge Funds' counterparties were to become insolvent or the subject of liquidation proceedings, there exists the risk that the recovery of the Raine Hedge Funds' securities and other assets from such counterparty will be delayed or be of a value significantly less than the value of the securities or assets against which the Raine Hedge Funds have a claim. Further, the insolvency of any of the Raine Hedge Funds' counterparties would likely impair the operational capabilities of the Raine Hedge Funds and their ability to position themselves in the market.

In addition, the Raine Hedge Funds may transact with counterparties located in various jurisdictions outside the U.S. Such local counterparties are subject to various laws and regulations in various jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to the Raine Hedge Funds' assets are subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a counterparty, it is impossible to generalize about the effect of their insolvency on the Raine Hedge Funds and their assets. Investors should assume that the insolvency of any counterparty would result in a loss to the Raine Hedge Funds that could be material.

Some of the markets in which the Raine Hedge Funds may trade are OTC markets. The participants in such markets may not be subject to the same levels of credit evaluation and regulatory oversight as members of exchange-based markets. This could expose the Raine Hedge Funds to the risk that a counterparty will not settle a transaction due to a credit or liquidity problem, thus causing the Raine Hedge Funds to suffer a loss. In addition, in the case of a default, the Raine Hedge Funds could become subject to adverse market movements while replacement transactions are executed. The ability of the Raine Hedge Funds to transact business with any one or more counterparties, the lack of complete evaluation of the financial capabilities of such counterparties, and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Raine Hedge Funds.

Highly Volatile Investments. The prices of derivative instruments, including futures and options, can be highly volatile. Price movements of forward, futures and other derivative contracts in which the Raine Hedge Funds' assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly those in currencies, futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. The Raine Hedge Funds also are subject to the risk of the failure of any exchanges on which their positions trade or of their clearinghouses.

Arbitrage. Risk arbitrage typically involves the purchase and/or sale of a position in a security subject to a merger, acquisition, an exchange offer, tender offer, reorganization, liquidation or other corporate event. In a typical transaction, the Raine Hedge Funds may seek to profit from the "spread" between the current market price and the amount to be realized if the corporate event occurs. If the Raine Hedge Funds purchase the target company's shares, which are to be exchanged for shares of the acquiring company, the Raine Hedge Funds may seek to offset, wholly or partially, the purchase with the use of options or other derivatives or a short sale of shares of the acquiring company's stock to seek to reduce general market risks and risks specific to the acquiring company. The Raine Hedge Funds will remain subject to the risks that the corporate event does not occur or that hedging is imperfect. The consummation of mergers, acquisitions, tender offers and exchange offers can be prevented or delayed by a variety of factors, including: (i) regulatory and antitrust restrictions; (ii) political factors; (iii) industry weakness; (iv) stock-specific events; and (v) failed financings. Risk arbitrage success is largely dependent upon the ability of Raine to correctly analyze the outcome and the completion date of the proposed transaction. In the event the proposed transaction is not consummated, the value of the securities held by the Raine Hedge Funds

(which typically are purchased at a significant premium to the preannouncement market price) may decline significantly.

Asset Valuations. The Raine Hedge Funds' assets and liabilities are valued in accordance with the valuation policy of the Raine Hedge Funds. These valuation determinations are inherently subjective and there is a risk that assets and liabilities may be undervalued and/or overvalued. Incomplete data, market instability and financial model assumptions that are based on judgment may contribute to additional valuation uncertainties. Inaccurate valuations can impact, among other things, the amount of capital received by an investor when withdrawing capital from the Raine Hedge Funds and the amount of incentive allocation and management fee received by Raine. As a result, investors can be negatively impacted by inaccurate valuations.

Additionally, in the event the Raine Hedge Funds hold securities or other instruments for which no (or only a limited) liquid market exists (e.g., private investments), the Raine Hedge Funds will be required to resort to other pricing methodologies, including for example third-party valuation experts and/or models based on assumptions regarding expected trends, historical trends following market conditions believed to be comparable to the then-current market conditions and other factors believed at the time to be likely to influence the potential resale price of an investment. Such methodologies may not prove to be accurate and the Raine Hedge Funds' inability to price securities or assets accurately may result in adverse consequences for the Raine Hedge Funds.

At the time a private investment is designated as such it will be valued at cost. There is no guarantee that the cost of the private investment will represent the value that will be realized by the Raine Hedge Funds on the eventual disposition of such private investment or that would, in fact, be realized upon an immediate disposition of such private investment.

Operational Risk. The Raine Hedge Funds depend on Raine to develop the appropriate systems and procedures to control operational risk. Operational risks arising from transactions not being properly booked, evaluated or accounted for or other similar disruption in the Raine Hedge Funds' operations may cause the Raine Hedge Funds to suffer financial loss, the disruption of their business, liability to clients or third parties, regulatory intervention or reputational damage. The Raine Hedge Funds rely heavily on its financial, accounting and other data processing systems. Any failure of these systems could also adversely affect the Raine Hedge Funds' performance.

Trade Errors. On occasion, trade errors may occur with respect to trades executed on behalf of the Raine Hedge Funds. Trade errors can result from a variety of situations, including, for example, when the wrong security is purchased or sold, when a security is purchased instead of being sold (or vice versa), when the correct security is purchased or sold but for the wrong account and when the wrong quantity is purchased or sold (e.g., 1,000 shares instead of 10,000 shares are traded). We will endeavor to detect trade errors prior to settlement and correct and/or mitigate them in an expeditious manner. The Raine Hedge Funds use an outsourced trading firm, which firm has agreed to indemnify the Raine Hedge Funds for any trading errors committed by such firm, but there can be no assurance that the Raine Hedge Funds will be able to collect on such indemnity. To the extent an error is caused by another third-party, such as a broker, we will strive to recover any losses associated with the error from such third-party. In the absence of recovery from a third-party as described above, we will determine whether any trade error has resulted from gross negligence on our part, and, unless we find that to be the case, any losses will be borne by (and any gains will benefit) the Raine Hedge Funds.

Item 8.C – Particular Securities

Raine does not recommend investments in a particular type of security. The types of securities in which a Raine investment vehicle invests and the material risks associated therewith are described in the offering and/or governing documents of the applicable Raine investment vehicle provided to investors prior to the time of an investment. Item 8.B provides a summary of certain material risks associated with an investment in the Raine investment vehicles. The information contained in Item 8.B is a summary only and investors should refer to the offering and/or governing documents of the applicable Raine investment vehicle for a complete overview of the types of securities Raine recommends and the material risks associated therewith.

ITEM 9 – DISCIPLINARY INFORMATION

Neither Raine nor any of its executive officers, members of its investment committee, portfolio manager, managing partner or other “management persons” as defined in Form ADV has been subject to the legal or disciplinary events related to this Item or otherwise is required to disclose any event required by this Item.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Item 10.A – Broker-Dealers

Raine is not registered, and does not have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer. As discussed separately in this Brochure, Raine Securities LLC is a registered broker-dealer. The following management persons of Raine are registered representatives of Raine Securities LLC: Joseph Ravitch, Jeffrey Sine, Brandon Gardner, John Salter and Angela Renee Risher.

Item 10.B – Futures and Commodity Trading

Not applicable.

Item 10.C – Material Relationships

Raine is an affiliate of Raine Securities LLC, a broker-dealer registered with the SEC and a member of FINRA.

Additionally, certain affiliates of Raine are regulated or otherwise authorized by foreign regulators to conduct limited business activities in the applicable international jurisdictions. As a result, many of the disclosures related to the Raine broker-dealer are also applicable to those affiliates.

The Raine Group is a diversified financial services firm, of which the Raine broker-dealer and its affiliates are a part, that engages, or may engage in the future, in a broad spectrum of financial advisory and consulting services to certain portfolio companies of one or more Raine investment vehicles, including investment banking, lending, financial and merger and acquisition advisory services, underwriting, acting as selling group participant, acting as private placement agent, business consulting, sponsoring and managing SPACs and similar publicly-traded entities, operational support and similar activities. The Raine broker-dealer and its affiliates may also provide such services to a third-party in whom a Raine investment vehicle subsequently acquires an interest. The Raine broker-dealer and its affiliates have received and are expected to continue to receive significant advisory or other fees for such services. The Raine broker-dealer and its affiliates also act as placement agent for the Raine investment vehicles in certain jurisdictions (although no commissions or other compensation is received by the Raine broker-dealer or its affiliates for

such services) and have acted and are expected to continue to act as an agent in connection with secondary sales of securities of a portfolio company. Raine also sources investment opportunities for the Raine investment vehicles from the Raine broker-dealer and its affiliates' financial services businesses. The Raine broker-dealer and its affiliates do not otherwise execute transactions on behalf of the Raine investment vehicles. In addition to those activities of the Raine broker-dealer described above, Raine, its affiliates, and its senior advisors may enter into transactions with portfolio companies to provide certain consulting or other services, including, but not limited to, branding, sponsorship, and content-related services. Raine, its affiliates, and its senior advisors may receive fees in connection with such consulting or other services, which may be retained in whole or in part by Raine, its affiliates or the relevant senior advisor of Raine. No Raine investment vehicle will share in any fees or other benefits, whether by fee offset or otherwise, that accrue to the Raine broker-dealer and its affiliates for its role in any transaction or its provision of any consulting or other services, whether or not related to a portfolio company.

The relationship Raine has with the Raine broker-dealer may give rise to a material conflict of interest between the Raine Group (including Raine and the Raine broker-dealer), on the one hand, and a Raine investment vehicle, on the other. In particular:

- The Raine Group may have a financial incentive to refer “buyside” opportunities (e.g., opportunities to acquire the securities or debt of a company, whether in the form of capital raises, outright acquisitions, or otherwise) to the Raine broker-dealer or SPAC and not to a Raine investment vehicle for which such opportunities might be suitable. For example, the Raine Group may be incentivized to prefer the relatively greater certainty and/or nearness in time of fees earned by the Raine broker-dealer in respect of such opportunities to the lesser certainty and/or longer time horizon of carried interest potentially earned by a General Partner or Managing Member.
- The Raine broker-dealer may have a financial incentive to recommend transactions to its clients that are not in the best interests of Raine's clients.
- Raine may be incentivized to seek to influence the decision by a portfolio company's management to retain the Raine broker-dealer, or to otherwise transact with the Raine broker-dealer, in favor of other unaffiliated broker-dealers or other service providers or counterparties that may be more appropriate or offer better terms.
- Raine may also be incentivized to structure portfolio company transactions so that they require the use of a broker-dealer (and consequently provide an opportunity for the Raine broker-dealer to be retained by a portfolio company and generate fees or other compensation).
- Raine may be incentivized to cause clients to participate in a transaction in which they otherwise would not participate if the Raine broker-dealer or its affiliates would benefit from the transaction.
- Raine's senior investment professionals may also serve as members of the boards of directors of various companies that could engage in transactions which would be suitable for the Raine investment vehicles, but in which one or more of such Raine investment vehicles might not be able to invest due to the involvement of the Raine senior investment professionals with such companies. Conflicts arise as a result of such activities.
- The Raine broker-dealer may advise a portfolio company on raising capital, including a financing in which a Raine Fund is expected to participate. The Raine broker-dealer's fee from the portfolio company in connection with such financings will generally be based on the investment proceeds raised. Although the Raine broker-dealer's fee will typically

exclude proceeds invested by any Raine Fund, such fee will typically increase with the price paid by the Raine Funds in such transactions.

- The principals and/or management persons spend time managing and working on the activities of the Raine broker-dealer and its affiliates, which could impact their ability to devote time to the activities of the Raine investment vehicles, including acting as officers or directors for Raine-sponsored SPACs or affiliated entities.

Raine has internal policies and procedures designed to address these conflicts of interest, including, among others:

- Raine requires all employees to agree to abide by the terms of Raine's Code of Ethics which, as described in Item 11, sets forth Raine's status as a fiduciary and requires employees to act in the best interest of the advisory clients and to place the interests of advisory clients ahead of their own and those of Raine.
- Raine provides training to employees who may be exposed to these potential conflicts of interest.
- Raine establishes information barriers where appropriate to alleviate or mitigate potential conflicts of interest.
- Raine employs a robust investment review process, and has allocation policies and procedures, that it believes mitigate and alleviate the conflicts of interest described above. In particular, under no circumstances may Raine or an affiliate allocate investment opportunities based on anticipated compensation or profits to Raine, the Raine broker-dealer or any of their affiliates or employees.
- Raine requires, depending on the specific facts and circumstances, additional consents or approvals from Raine's investment committee, a Raine PE Fund's limited partner advisory committee or third-party portfolio company directors prior to engagement of the Raine broker-dealer by a portfolio company.
- The Raine broker-dealer will not receive a fee in respect of proceeds invested by any Raine Fund in a capital raise on which the Raine broker-dealer is acting as placement agent unless, among other things, the "notice and consent" requirements of Section 206(3) of the Advisers Act have been met (see also Item 11.A below).
- Raine and its professionals intend to devote such time as shall be necessary to conduct the business affairs of the Raine clients in an active and appropriate manner.
- With respect to the Raine PE Funds, each Raine PE Fund has a limited partner advisory committee whose members consist of certain investors who are not affiliated with Raine or its affiliates. With respect to the Raine Hedge Funds, the Raine Hedge Funds may establish review committees whose members consist of certain third parties (potentially including investors) who are not affiliated with Raine or its affiliates. In accordance with the governing agreements of the applicable Raine investment vehicle or on a voluntary basis, a General Partner may consult with and/or seek the assistance of the review committee in resolving conflicts of interest.

Raine provides investment advisory services to, and it and its affiliates serve as sponsors of, the Raine PE Clients and the Raine Hedge Clients, and may, in the future provide investment advice to and/or

serve as sponsors of affiliated investment partnerships, limited liability companies and their general partners or managing members, as applicable. Additionally, conflicts of interest may arise because several employees of Raine have significant operating roles with respect to SPACs and collectively control the sponsors of the SPACs. While the relevant Raine employees will continue to devote portions of their time and attention to the investment activities of the Raine clients, they will have other obligations with respect to the SPACs, including in certain cases as board members. In addition, these employees may regularly obtain confidential information regarding various target companies and other investment opportunities that would be imputed to all of Raine. Therefore, if a Raine employee receives confidential information with respect to a company, the Raine clients may face certain restrictions on their ability to pursue a transaction with that company or dispose of an investment.

The General Partners and the Managing Members are also investment advisers registered in accordance with SEC guidance under the Advisers Act pursuant to Raine's registration. These affiliated investment advisers operate as a single advisory business together with Raine, are under common control and are subject to Raine's code of ethics and compliance programs adopted pursuant to the requirements of the Advisers Act. Please refer to Item 11 for a discussion of the potential conflicts of interest that may arise as a result of such activities and relationships and the policies and procedures Raine has adopted to address these conflicts.

Item 10.D – Other Investment Advisors

Not applicable.

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

Item 11.A – Code of Ethics

Raine's Code of Ethics (the "Code") is designed to meet the requirements of Rule 204A-1 of the Advisers Act. The Code applies to Raine's "Access Persons." Access Persons include, generally, any partner, officer or director of Raine and any employee or other supervised person of Raine who, in relation to Raine's advisory clients, (1) has access to non-public information regarding any purchase or sale of securities, or non-public information regarding securities holdings or (2) is involved in making securities recommendations, executing securities recommendations, or has access to such recommendations that are non-public. All of Raine's employees are deemed to be Access Persons.

The Code sets forth a standard of business conduct that takes into account Raine's status as a fiduciary and requires Access Persons to place the interests of advisory clients above their own interests and the interests of Raine. Access Persons must not take any inappropriate advantage of their positions. The Code requires Access Persons to comply with applicable securities laws. Further, Access Persons are required to promptly bring violations of the Code to the attention of Raine's Chief Compliance Officer. All Access Persons are provided with a copy of the Code and are required to acknowledge receipt of the Code upon hire and on at least an annual basis thereafter.

The Code also sets forth certain reporting and pre-clearance requirements with respect to personal trading by Access Persons. Access Persons must provide Raine's Chief Compliance Officer with a list of their personal accounts and an initial holdings report within 10 days of becoming an Access Person. In addition, Access Persons must provide annual holdings reports, quarterly transaction reports and periodic account statements, transaction confirmations and any other information reflecting account or transactional activity in accordance with Advisers Act Rule 204A-1.

The Code also describes Raine's duty to protect material non-public information about securities/investment recommendations provided to (or made on behalf of) Raine's clients. Underlying these policies and procedures are two primary principles. First, confidential information must be maintained in confidence. Second, Access Persons of Raine who possess non-public information, whether or not it is material, must not trade in the securities affected by such information and must not disclose such information to anyone who does not have a legitimate need to know it. As discussed under Item 11.C, Raine maintains a Restricted List to track securities of such issuers.

Investors or prospective investors may obtain a copy of the Code by contacting the Chief Compliance Officer at (212) 603-5500 or legal@raine.com.

Item 11.B – Participation or Interest in Client Transactions

Raine provides ongoing portfolio management and investment advisory services to Raine clients. As part of providing such services, Raine is responsible for monitoring and managing each Raine client's investment portfolio in accordance with its particular investment objectives, broader investment themes, limitations and guidelines (including portfolio concentration and other limits), and as set forth in the applicable governing agreements. Raine also complies with restrictions provided in the applicable governing agreements relating to principal transactions or other affiliated transactions, in which Raine or its personnel may have interests that are not aligned with the interests of one or more of its clients.

Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliate, buys from or sells any security to any advisory client. Raine or its related persons, as principal, may buy securities from or sell securities to its clients. This practice could create a conflict of interest because Raine or a related person may have an incentive to buy securities from or sell securities to Raine clients based on its own financial interests, rather than solely the interests of the client. Raine and its related persons, however, generally do not trade securities on a principal basis with Raine clients. To the extent that Raine and/or its related persons engage in principal securities transactions, any such transaction will comply with the policies described below.

An agency cross transaction is generally defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction (which could include another advisory client). The potential for agency cross transactions, or other conflicts of interest, arises given our affiliation with the Raine broker-dealer. For example, in the course of conducting its business, the Raine broker-dealer and its affiliates will from time to time act as broker-dealer or agent in advising on securities transactions for its clients and other persons, which may include Raine's clients. In addition, Raine's clients from time to time invest in portfolio companies that are clients of the Raine broker-dealer and its affiliates, and the Raine broker-dealer and/or such affiliates could potentially be entitled to a fee in respect of such investment. As a result, a conflict of interest may exist between Raine's clients, on the one hand, and the Raine broker-dealer and/or its affiliates, on the other hand. As described in this Brochure, Raine has established policies and procedures reasonably designed to mitigate such conflicts of interests.

In addition, cross transactions may occur where an adviser executes a securities transaction between two (or more) of its managed client accounts. Cross transactions may benefit clients because they can avoid transaction fees that might otherwise apply had the buy and the sell transaction been exposed to potential market transaction fees. However, they also can create conflicts of interest because, by not exposing such buy and sell transactions to market forces, clients may not receive the benefits of best price, or an adviser might seek to prop up the performance of one fund by selling under-performing assets to another fund in order, for example, to earn higher fees in the aggregate.

It is Raine’s policy not to execute any principal or agency cross transactions for Raine client accounts unless Raine deems the transaction to be in the best interest of a particular Raine client, Raine’s client and the Chief Compliance Officer give prior consent, and the transaction complies with the “notice and consent” requirements of Section 206(3) of the Advisers Act. Raine also generally refrains from cross trading between Raine client accounts unless the consent of both Raine clients is obtained or the Chief Compliance Officer approves the transaction based on special circumstances.

Subject to certain terms and conditions, on occasion and to the extent permitted by law and specific Raine policies, Raine may effect rebalancing transactions between one Raine client and another Raine client pursuing similar investments. In such case, a Raine client may purchase a security held by another Raine client or may sell a security to another Raine client. Raine will not undertake a rebalancing transaction with a Raine client if it determines, in its sole discretion, that such a transaction is not in the best interests of the Raine clients involved. Raine effects these transactions based on the then-current independent market price and consistent with valuation procedures established by Raine. Neither Raine nor any of its affiliates receive any compensation in connection with such rebalancing transactions. These rebalancing transactions generally will be effected without brokerage commissions being charged. To the extent that such transactions may be viewed as principal transactions due to Raine’s or its affiliates’ ownership interest in a particular Raine client, Raine will either not effect such transaction or comply with the requirements of Section 206(3) of the Advisers Act, including that Raine will notify the Raine client.

The Raine Group, the principals, certain Raine employees, and certain business associates and “friends and family” of the Manager, the Raine Group or the senior investment professionals currently invest and may in the future invest directly or indirectly in one or more Raine investment vehicles. Such investments generally are not subject to the management or performance-based fees described in Items 5 and 6 above. The fact that the Raine Group, the principals and certain employees have financial ownership interests in certain Raine investment vehicles creates a potential conflict in that it could cause Raine to make different investment decisions than if such parties did not have such financial ownership interests. In addition, senior advisors may invest in Raine clients or in their portfolio companies, and Raine clients may invest in portfolio companies in which senior advisors hold existing material investments. Raine’s principals, employees or senior advisors may invest in other private equity investment vehicles (including single investor co-investments) managed by other advisers and in operating companies. In some cases, Raine or the Raine investment vehicles may invest in portfolio companies that are owned by such other investment vehicles or directly by Raine principals, employees or senior advisors, which may directly or indirectly benefit any such principals, employees or senior advisors. Raine carefully considers the risks involved in any investments and Raine provides extensive disclosure to investors regarding the potential risks that come with an investment in the Raine investment vehicles.

In addition, Raine employees (including the senior investment professionals) may carry on personal investment activities, subject to the Raine Group’s internal compliance policies and procedures, for their own account and for family members or others who do not invest in the Raine investment vehicles. The investments that such employees may pursue may differ from advice given to, or securities recommended, bought or sold for, Raine clients, even though their investment objectives may be the same or similar.

Raine or its affiliates, from time to time, have received or may in the future receive certain of the following: fees or other payments in respect of investments completed by certain Raine investment vehicles, such as deal fees, monitoring fees or transaction fees, as well as “break-up” fees and other compensation with respect to portfolio company investments (including unconsummated investments). Such fees are not dependent on the performance of the investment, and may create a conflict of interest between Raine and its clients. To address this potential conflict, a certain portion of these fees generally offset the management fees paid by the applicable Raine clients to Raine. In addition, as described in more detail in Item 10.C, Raine has internal policies and procedures designed to address conflicts of interest, employs a robust investment review process that it believes mitigates and alleviates conflicts of interest, and, with respect to the Raine PE Funds, each Raine PE Fund has a limited partner advisory committee which, in accordance

with the governing agreements of the respective Raine PE Fund or on a voluntary basis, the General Partner may consult in seeking to resolve any conflicts of interest. The Raine Hedge Funds may establish review committees for a similar purpose.

Employees and senior advisors of Raine have served and are expected to continue to serve on the boards of, serve as employees of, or otherwise be retained as consultants by portfolio companies of Raine clients. Since Raine may be reimbursed for certain compensation and other fees and expenses that relate to the employment of certain expected portfolio company employees or retention of certain senior advisors or consultants, Raine could have a conflict of interest in connection with the applicable Raine investment vehicle's investment in such portfolio company and the resulting reimbursement of such amounts. In addition, as a result of the Raine investment vehicles' (and in particular the Raine Growth Funds') interests in portfolio companies, Raine frequently has the right to appoint board members to such portfolio companies, or to influence their appointment, and to determine or influence a determination of compensation for board members, portfolio company employees and/or consultants retained by portfolio companies, including the senior advisors. Serving on a portfolio company board may give rise to conflicts to the extent that a Raine employee's (or senior advisor's) fiduciary duties to a portfolio company as a director may conflict with the interests of the Raine clients that are invested in such portfolio companies. Employees and senior advisors may receive directors' fees for serving on the board of directors of a portfolio company or compensation and expense reimbursement in connection with employment or consulting services, which may be retained in whole or in part by the relevant employee or senior advisor. Such amounts received by senior advisors do not offset the management fee. In addition, portfolio companies of Raine clients may, from time to time, make discounts, complimentary goods and services and other benefits available to employees and senior advisors in connection with products or services offered by such companies that may not otherwise be available to the public. Although Raine does not expect any impact to be material, these discounts could potentially adversely affect the returns of such portfolio companies and, in turn, the returns of our clients. To address conflicts of interest related to receipt of such discounts and benefits by employees and certain senior advisors, Raine considers them to be gifts from third parties, and they therefore are subject to the same reporting and/or preclearance requirements as other third-party gifts.

Raine or its personnel can be expected to receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of Raine investment vehicles that will not be subject to the management fee offset or otherwise shared with the clients, investors and/or portfolio companies. For example, airline travel or hotel stays incurred as an account expense typically result in cash rebates, "miles," "points" or credit in loyalty/status programs, and such benefits and/or amounts will, whether or not de minimis or difficult to value, inure exclusively to Raine and/or such personnel even though the cost of the underlying service is borne by the accounts, investors and/or portfolio companies.

Certain investors that have committed or contributed, and may in the future commit or contribute, significant capital to certain Raine investment vehicles hold an interest in the Raine Group and are therefore entitled to indirectly receive a portion of the management and performance fees from the Raine clients. These arrangements are not available to other investors in the Raine clients that have not entered into comparable arrangements with the Raine Group. In addition, Raine may also, from time to time, employ personnel with pre-existing ownership interests in portfolio companies owned by the Raine clients. Additionally, Raine and/or its personnel maintain business and investment relationships with financial institutions and other service providers, some of which may invest (or may be affiliated with an investor) in, engage in transactions with and/or provide services to, Raine, and/or Raine's clients.

The Raine Group or its clients may, in the future, own interests in or loan money to portfolio companies, other existing and future funds sponsored by clients of the Raine Group, or competitors of any of them. In exercising its rights as investor in or lender to such funds or companies, the Raine Group will not be obligated to take into account the interests of the Raine investment vehicles and may take positions that are contrary or adverse to the interests of the Raine investment vehicles or investors.

A number of persons hold direct or indirect equity and other economic interests in the Raine Group, including in Raine's ultimate holding company and certain other subsidiaries or vehicles that the Raine Group controls. While these persons mostly are current Raine employees or other individuals who are or have been involved in the activities and affairs of Raine Group, some are third-party investors, including current or potential investors in the Raine investment vehicles, who are not involved in the Raine Group's day-to-day operations. For example, while Raine's holding company is owned mostly by Partners of Raine and is ultimately controlled by Joseph Ravitch and Jeffrey Sine, Raine has permitted a limited number of third-party investors to acquire minority, passive equity interests in it. Similarly, Raine may permit third-party investors to hold direct or indirect passive economic interests in other Raine-controlled vehicles, including entities Raine forms to exercise its rights or discharge its obligations under the governing documents of the Raine investment vehicles. Such Raine-controlled vehicles may be used to fund Raine's capital commitments to the Raine Funds, including the required minimum commitment, as well as any additional commitments permitted following the end of the fundraising period. These practices may have the effect of reducing the amount of capital contributed by persons responsible for operating the Raine Funds and lessening the alignment of interests between such persons and the fund investors.

Raine and its affiliates have a material financial interest with respect to fees paid by Raine clients. Management fees are payable without regard to the overall success or income earned by the Raine clients and create an incentive on the part of Raine to raise or otherwise increase assets under management to a higher level than would be the case if Raine were receiving a lower or no management fee. The performance-based fees (i.e., carried interest and incentive allocation) create an incentive for Raine to make investments that are riskier or more speculative than in the absence of such fees.

To the extent that one or more Raine investment vehicles invest in the same securities of the same issuer, Raine will generally seek to ensure that all participants in such investment participate on comparable terms. This may not be practicable or appropriate in all circumstances, however, and one or more Raine investment vehicles may participate in such investments on different and potentially less favorable terms than other participants if Raine deems such participation as being otherwise in the best interests of the participating Raine clients. This may have an adverse impact on one of the participating Raine clients.

Raine provides investment advisory services to, and it and its affiliates serve as sponsors of, both the Raine PE Clients and the Raine Hedge Clients, and may, in the future provide investment advice to and/or serve as sponsors of affiliated investment partnerships, limited liability companies and their general partners or managing members, as applicable. In accordance with Raine's internal policies and procedures, as well as the governing agreements of the Raine investment vehicles, Raine seeks to allocate investment opportunities among its clients in a fair and equitable manner, bearing in mind, among other things, the terms related to investment allocation of each relevant Raine investment vehicle's governing agreements as well as the size, investment objectives, risk tolerance, return targets, permissible and preferred asset classes and liquidity needs. Under certain circumstances, certain persons, including existing investors, may be permitted to co-invest directly in a particular portfolio company. Under no circumstances may Raine or an affiliate allocate investment opportunities based on anticipated compensation or profits to Raine, the Raine broker-dealer or any of their affiliates or employees. In addition, Raine and its professionals intend to devote such time as shall be necessary to conduct the business affairs of the Raine clients in an active and appropriate manner. However, investors should be aware that many of the investment professionals that devote a portion of their time conducting the business and affairs of the Raine investment vehicles have significant other responsibilities to Raine and its affiliates, and accordingly, are obligated to spend a portion of their professional time on other clients of Raine and the Raine Group.

In addition, a Raine investment vehicle may invest in a company that competes with, is a customer of or a service provider or supplier to another Raine investment vehicle or one of its portfolio companies. This practice may give rise to certain conflicts of interest. First, a client or its portfolio company may take actions for commercial reasons that have adverse consequences for another client or its portfolio company,

such as seeking to increase the portfolio company's market share at the expense of the other portfolio company (as a competitor), withdrawing business from a portfolio company in favor of a competitor that offers the same product or service at a more competitive price (as a customer), increasing prices in lock-step with other enterprises in the industry (as a supplier) or commencing litigation against a portfolio company (in any capacity). Secondly, a client may obtain information while dealing with its portfolio companies that it is prohibited from acting on or disclosing to another client or its portfolio company as a result of confidentiality requirements or applicable law, even though such action or disclosure would be in such other client's or portfolio company's interests. In addition, to the extent not restricted by confidentiality requirements, Raine may apply the experience obtained by managing a client to benefit other clients. Raine investment vehicles are under no obligation to take into account the interests of another client when advising their portfolio companies.

Raine has policies and procedures in place to address these potential conflicts of interest as described in this Item 11.B and as further described in Item 10 above.

Item 11.C – Personal Trading

Access Persons of Raine are permitted to make securities transactions in their personal accounts. This presents potential conflicts in that an Access Person could make improper use of information regarding a Raine client's holdings or future transactions or research paid for by the Raine clients. An Access Person could take for himself or herself an investment opportunity available to a Raine client or could engage in "front-running" of a Raine client's investment.

Raine manages the potential conflicts of interest inherent in Access Person personal trading by rigorous enforcement of its Code, which contains strict pre-clearance and reporting guidelines for Access Persons. Raine requires that Access Persons pre-clear all securities transactions in their personal accounts for which they maintain discretion, other than in respect of investments in open-end mutual funds, certificates of deposit, money market funds and other similar investment vehicles. Generally, except in certain limited circumstances, trades of securities in or substantially related to the TMT sectors are not approved other than (i) the sale of positions held at the commencement of employment with Raine at a time when there is not and would not appear to be a conflict of interest, (ii) the automatic exercise of in-the-money options immediately prior to their expiration and (iii) other extraordinary circumstances. Requests for pre-clearance are reviewed for potential conflicts of interest with the Raine clients. In addition, Raine Access Persons are prohibited from purchasing securities in IPOs and must pre-clear all investments in limited offerings (including hedge funds and private equity funds) with Compliance.

Raine maintains a "Restricted List" which includes, among others, the names of issuers of securities about which Raine or its affiliates (including Access Persons) have learned material, non-public information, or who have retained Raine or its affiliates as a financial advisor in a material, public transaction. Access Persons are strictly prohibited from trading securities on the Restricted List unless an exception is made by the Chief Compliance Officer in consultation with the President and General Counsel, provided that no exception shall be made where the requesting Access Person is in possession of MNPI.

Item 11.D – Personal Trading Contemporaneous with Client Transactions

Please refer to Items 11.A, 11.B and 11.C.

ITEM 12 – BROKERAGE PRACTICES

Item 12.A – Selection of Broker-Dealers

With respect to the Raine PE Clients, our investment advice focuses on making opportunistic private equity investments in the equity or debt of operating companies that are primarily in Raine's core sectors. Accordingly, as a general matter, the Raine PE Clients do not invest in publicly-traded securities, and generally do not transact business through broker-dealers. However, in situations where we may need to select a broker-dealer for public securities transactions, we will seek to obtain best execution of transactions.

In addition, with respect to Raine's private company securities transactions on behalf of the Raine PE Clients, Raine may retain the Raine broker-dealer or one or more other broker-dealers or investment banks, the costs of which will be borne by the relevant Raine PE Clients and/or their portfolio companies. In doing so, Raine will consider a variety of factors, including, but not limited to: (i) capabilities with respect to the type of transaction being contemplated; (ii) commissions or fees charged; (iii) reputation of the firm being considered; and (iv) responsiveness to requests for information. As a result, although Raine generally will seek reasonable rates for such services, the market for such services involves more subjective evaluations than public securities brokerage transactions, and the Raine PE Clients may not necessarily pay the lowest commission or fee for such services.

With respect to the Raine Hedge Funds, we have sole discretion to decide which broker-dealers the Raine Hedge Funds will use and in negotiating the rates of compensation that the Raine Hedge Funds will pay. We will seek to obtain best execution in allocating portfolio transactions for the Raine Hedge Funds. As noted in Item 10, the Raine Hedge Funds currently utilize a third party for brokerage and execution services (the "Outsourced Trading Firm"). The Outsourced Trading Firm provides these services in order to provide increased liquidity, the ability to access a variety of market venues, enhanced and more timely execution capability, anonymity and access to research from broker-dealers with which the Outsourced Trading Firm maintains trading relationships that may not otherwise be available to us. Raine believes the use of the Outsourced Trading Firm as outsourced execution provider and, on a non-exclusive basis, executing broker is consistent with our duty of obtaining best execution for the Raine Hedge Funds. The Outsourced Trading Firm is compensated through a service fee on trades for the performance of trading functions on behalf of the Raine Hedge Funds. This may cause the Raine Hedge Funds to pay higher brokerage fees than might be paid if Raine performed this function internally, particularly in the case of trades that we direct to be executed with a broker other than the Outsourced Trading Firm. Raine believes this potentially higher fee rate is reasonable given the services and access provided to Raine and the Raine Hedge Funds that may not otherwise be available.

In seeking best execution, the determinative factor is not always the lowest possible per security price or commission but whether, in our view, the transaction represents the best overall qualitative and quantitative execution for our clients. Our process of determining best execution involves not only an assessment of brokerage commissions or bid/offer spreads, but also an evaluation of broker-dealer ancillary services. We will consider the full range of a broker-dealer's services in assessing best execution, including, but not necessarily limited to: (i) competitiveness of commission rates and spreads; (ii) promptness of execution; (iii) past history in executing orders; (iv) clearance and settlement capabilities; (v) research capabilities and quality access to markets, investments (including access to new issues) and distribution network; (vi) trade error rate and ability or willingness to correct errors; (vii) anonymity/confidentiality; (viii) market impact; (ix) liquidity; (x) speed of execution; (xi) expertise with complex transactions; (xii) ability to handle a block order for securities; (xiii) trading style and strategy; (xiv) geographic location; (xv) custodial and other services provided; and (xvi) operational facilities and technology (including back office efficiency). We are not required to weigh any of these factors equally.

Although we will seek competitive commissions and spreads, we may not necessarily obtain the lowest possible rates for portfolio transactions. The commissions, spreads or other transaction fees charged by an executing broker-dealer may be higher or lower than those charged by other broker-dealers. In selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation, we need not solicit competitive bids and do not have

an obligation to seek the lowest available commission cost. Accordingly, if we determine in good faith that the amount of commissions charged by a broker-dealer is reasonable in relation to the value of the brokerage and products or services provided by such broker-dealer, our clients may pay commissions to such broker-dealer in an amount greater than the amount another broker-dealer might charge.

In addition to the foregoing, in respect of the Raine Hedge Funds, Raine have received, and may in the future receive, consulting assistance services from one or more prime brokers, including, but not limited to, consulting assistance with best practices, compliance, recruiting of talent, design and build, real estate, facilities management technology, technology, infrastructure, operational processes, capital raising and third-party service providers. Any such consulting assistance services would be in complement to, and not in place of, Raine's independent professional advisors and service providers. The benefits provided to Raine by receipt of the consulting assistance services are expected to assist Raine, either directly or indirectly, in the provision of efficient investment management services to the Raine Hedge Funds and to other third parties. In addition, from time to time, the personnel of Raine may speak at conferences and programs for, or meet with, potential investors interested in investing in hedge funds which are sponsored by one or more prime brokers. Through such "capital introduction" events, prospective investors in the Raine Hedge Funds have the opportunity to meet with the employees, officers and representatives of Raine. Neither Raine nor the Raine Hedge Funds will compensate any prime broker for organizing such events or for investments ultimately made by prospective investors attending such events. However, such events and other services (including, without limitation, capital introduction services) provided by a prime broker may influence Raine in deciding whether to use the prime broker in connection with brokerage, financing and other activities of the Raine Hedge Funds. The receipt by Raine of such consulting assistance services and capital introduction services from a prime broker may give rise to an actual or potential conflict of interest. Raine will manage any such actual or potential conflict of interest appropriately and will not allocate business or effect transactions on behalf of the Raine Hedge Funds with any prime broker where to do so would conflict with Raine's duties to the Raine Hedge Funds. Furthermore, Raine may place client portfolio transactions with firms that have made such recommendations or provided capital introduction opportunities, if Raine determines that it is otherwise consistent with seeking best execution. In no event will Raine select a broker-dealer as a means of remuneration for recommending Raine or any other product managed by Raine (or an affiliate) or affording Raine with the opportunity to participate in capital introduction programs.

Item 12.A.1 – Research and Other Soft Dollar Benefits

The term "soft dollars" refers to brokerage commissions generated from client securities transactions that are retained by the broker-dealer for the use of the investment manager that directed the transactions to the broker-dealer. Section 28(e) of the Exchange Act provides a "safe harbor" to those investment managers that use soft dollars to obtain investment research and brokerage services. In order to qualify for the safe harbor, the investment research must provide assistance to the investment manager in its performance of its investment decision-making responsibilities. Brokerage services must relate to the execution, clearance and settlement of securities transactions in order to fall within the safe harbor.

We intend to use soft dollars generated by our clients' securities transactions to pay for research, products and services that fall within the Section 28(e) safe harbor. Such services may include, among other things, the provision of information on economic trends or conditions, political developments, industries, groups of securities, individual countries, and individual companies, as well as post-trade brokerage services or communication services related to the execution, clearing, and settlement of transactions. Such soft dollar arrangements will typically be made with respect to the Raine Hedge Funds rather than the Raine PE Funds. However, we will from time to time use research and brokerage services obtained by the use of commissions arising from one of our client's portfolio transactions in our other investment activities, including, for the benefit of our other client accounts. To the extent applicable, we do not seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate.

We may enter into “client commission arrangements” pursuant to which we may execute transactions through a broker-dealer and request that the broker-dealer allocate a portion of the commissions or commission credits to another firm that provides research and other products to us. Our clients may also pay for research services directly, rather than through commissions arising from the client’s investment transactions.

When we use soft dollars, our clients may pay commissions, spreads or mark-ups to a broker-dealer in an amount greater than the amount another broker-dealer charges if we determine, in good faith, that the amount of commissions, spreads or mark-ups charged by such broker-dealer is reasonable in relation to the value of brokerage and research products or services provided by such broker-dealer.

The availability of soft dollars from certain broker-dealers presents us with conflicts of interest and may give us incentives to that do not align with our obligations to our clients (including, without limitation, our best execution obligations) when directing orders to broker-dealers. The receipt of information, products or services paid for with soft dollars is in addition to, and not in lieu of, the management fees and performance-based fees received by us and/or our affiliates, and such fees are not reduced as a consequence of the receipt of such products or services purchased with soft dollars.

In order to manage conflicts related to soft dollar usage, as required by Section 28(e) of the Exchange Act, we review and evaluate our soft dollar practices in order to determine, in good faith, whether, with respect to any research or other products or services received from a broker-dealer, the commissions used to obtain those products and services are reasonable in relation to the value of the brokerage, research or other products or services provided by the broker-dealer. This determination is viewed in terms of either the specific transaction or our overall responsibilities to the accounts or portfolios over which we exercise investment discretion. In addition, as mentioned above, soft dollar arrangements are only entered into for services and products that qualify under the “safe harbor” provisions set forth in Section 28(e) of the Exchange Act.

In some instances, we may obtain a product or service that is used, in part, for Section 28(e) eligible purposes and, in part, for other purposes. In such instances, we will make a good faith effort to determine the relative proportion of the product or service used to assist us in carrying out our investment decision-making responsibilities and the relative proportion used for administrative or other purposes outside Section 28(e). Such determination will be made based on an evaluation of the research and non-research uses of the product. The proportion of the product or service attributable to assisting us in carrying out our investment decision-making responsibilities will be paid through brokerage commissions generated by client transactions and the proportion attributable to administrative or other purposes outside Section 28(e) will be paid for by us from our own resources. The determination of the appropriate allocation of “mixed use” products and services creates a potential conflict of interest between us and our clients.

Item 12.A.2 – Brokerage for Client Referrals

We do not consider whether we, or a related person, receive client referrals from a broker-dealer or a third-party when selecting or recommending broker-dealers. However, from time to time, the personnel of Raine may speak at conferences and programs for, or meet with, potential investors interested in investing in hedge funds which are sponsored by one or more prime brokers. Through such “capital introduction” events, prospective investors in the Raine Hedge Funds have the opportunity to meet with the employees, officers and representatives of Raine. Neither Raine nor the Raine Hedge Funds will compensate any prime broker for organizing such events or for investments ultimately made by prospective investors attending such events. However, such events and other services (including, without limitation, capital introduction services) provided by a prime broker may influence Raine in deciding whether to use the prime broker in connection with brokerage, financing and other activities of the Raine Hedge Funds. The receipt by Raine of such capital introduction services from a prime broker may give rise to an actual or potential conflict of interest. Raine will manage any such actual or potential conflict of interest appropriately and will not

allocate business or effect transactions on behalf of the Raine Hedge Funds with any prime broker where to do so would conflict with Raine's duties to the Raine Hedge Funds. In particular, Raine may only place client portfolio transactions with broker-dealers which have provided such capital introduction opportunities if Raine determines in good faith that it is otherwise consistent with seeking best execution. In no event will Raine select a broker-dealer as a means of remuneration for recommending Raine or any other product managed by Raine (or an affiliate) or affording Raine with the opportunity to participate in capital introduction programs.

Item 12.A.3 – Directed Brokerage

We do not recommend, request or require that a client direct us to execute transactions through a specified broker-dealer.

Item 12.B – Aggregation of Orders of Securities for Client Accounts

Given the differing nature of the investments made by the Raine investment vehicles, we do not routinely aggregate the purchase or sale of securities for various client accounts. However, when two or more Raine investment vehicles conduct trading through a broker-dealer, we will seek to aggregate orders whenever practicable, cost-efficient and in the best interest of each Raine investment vehicle.

ITEM 13 – REVIEW OF ACCOUNTS

Item 13.A – Periodic Review of Client Accounts

Raine PE Funds

With respect to investments made by the Raine PE Funds, our investment professionals and financial operations professionals periodically review the investment portfolios of the Raine investment vehicles. In addition, senior investment professionals typically maintain an ongoing oversight position in portfolio companies (particularly the portfolio companies of the Raine Growth Funds and Raine Gaming Fund). These professionals monitor operations, overall performance, financial performance and strategic direction of each portfolio company. Each portfolio company provides us with regular reports regarding its financial status and performance, except in the rare instances where our quantum of control is immaterial, in which case we receive public information. The investment committee of the Raine Growth Funds and Raine Gaming Fund receives an in depth review on the performance and strategic direction of each portfolio company on at least a quarterly basis, and are otherwise updated on an as-needed basis by the relevant investment professionals. The investment committee of the Raine Venture Funds is updated on an as-needed basis by the relevant investment professionals.

Raine Hedge Funds

With respect to public market investments made by the Raine Hedge Funds, the portfolio manager actively manages the Raine Hedge Funds' investment portfolios and reviews trading data on a continuous basis to determine whether securities positions should be maintained in view of current market conditions. In addition, the portfolio manager and other senior members of the Raine team meet regularly to discuss investment themes and the positioning of the portfolio. The portfolio manager and financial operations professionals also conduct daily risk reviews of set portfolio parameters that have been established (including gross and net exposure limits, single name limits and subsector exposure limits), with intra-day operational controls and enforcements of these limits. With respect to private investments made by the Raine Hedge Funds, the portfolio manager and investment professionals periodically review the private investment portfolio.

Item 13.B – Factors that Trigger a Review of Client Accounts

Our investment professionals and financial operations professionals periodically review the investment portfolios of the Raine investment vehicles. In respect of the Raine Hedge Funds' public investments, the portfolio manager and financial operations professionals rely, in part, on the portfolio parameters that have been established (including gross and net exposure limits, single name limits and subsector exposure limits) to determine when a further portfolio review is necessary. Other than the foregoing, there are no specific triggers to launch a portfolio review.

Item 13.C – Reports to Clients

The nature and frequency of regular reports to investors in the Raine investment vehicles depends on the terms of the governing documents of such Raine investment vehicles. In addition to the information provided to all of the Raine Funds' investors, we have and in the future may arrange to provide certain investors of our clients with additional information or more frequent reports that other investors will not receive.

Raine PE Funds

Typically, investors in the Raine PE Funds are provided with written quarterly unaudited financial reports, annual audited financial statements and relevant tax reports. If an annual investor meeting for one of the Raine PE Funds is held, representatives from all investors in the relevant fund will be invited. Typically, investors in the Raine co-investment vehicles are provided with annual audited financial statements and relevant tax reports. Investors that participate in co-investments may be in a position to obtain additional information regarding the applicable portfolio company that may not generally be available to investors in the applicable Raine PE Fund since they are making a decision to invest in that particular investment opportunity.

Raine Hedge Funds

Typically, investors in the Raine Hedge Funds are provided with written monthly unaudited reporting, annual audited financial statements and relevant tax reports.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Item 14.A – Client Referrals

Although as a general matter we do not accept economic benefits from a person who is not a client for providing investment advice or other advisory services to the Raine investment vehicles, we, on occasion, receive directors' fees, monitoring fees or similar fees, or reimbursements of certain expenses, from portfolio companies. To address this potential conflict, a certain portion of these fees generally offset the management fees paid by our clients (Raine clients that do not pay management fees do not receive the benefit of the offset), and are disclosed in the relevant offering and/or governing documents of the applicable Raine investment vehicle.

In addition, as noted above in response to Item 10, the Raine broker-dealer and its affiliates have received, and may in the future receive, placement fees and other compensation and expense reimbursements from participating in underwriting syndicates and/or selling groups in relation to securities issued by portfolio companies of the Raine investment vehicles and engaging in other transactions and providing other services in respect of such portfolio companies, including services relating to transactions or offerings that are not ultimately pursued or consummated. Although Raine's fees will exclude proceeds invested by any Raine investment vehicle, Raine's fees will typically increase with the price paid by the Raine investment vehicle in such transaction.

Such compensation is generally not shared with the relevant Raine investment vehicle through a management fee offset or otherwise. In addition, we and our related persons may, in certain instances, receive discounts on products and services sold by portfolio companies held by the Raine investment vehicles.

Item 14.B – Compensation for Client Referrals

Raine or its affiliates have in the past entered, and may in the future enter, into arrangements in which third parties will refer investors to one or more Raine investment vehicles in exchange for a fee. The fee paid to a third-party that introduces investors to the Raine investment vehicles is typically calculated as a percentage of the amount of capital these investors invest in the Raine investment vehicles, as specifically negotiated between us and such third-party. These fees are borne exclusively by us or our affiliates and are not borne by the affected investors or Raine investment vehicles (note that we may cause such fees to be paid by a Raine investment vehicle and specially allocated to the affected investors and then offset such investors' management fees by equal amounts). These relationships will affect the independence of such third-party in connection with its recommendations of a particular investment program. These types of arrangements are disclosed to affected investors before such investors make an investment in the relevant Raine investment vehicle. In addition, as stated in Item 12, we may and have in the past entered into capital introduction agreements with certain financial institutions under which such financial institutions do not receive any type of compensation for the capital introduction services they provide under these agreements.

ITEM 15 – CUSTODY

Raine or its affiliates are deemed to have custody of client assets by virtue of their status as General Partner or Managing Member to the Raine clients. Raine and its affiliates comply with the custody requirements applicable to registered investment advisers pursuant to Advisers Act Rule 206(4)-2. We will not take or maintain physical custody of any client funds or securities, except as permitted under the Advisers Act and SEC guidance, and generally will custody client assets with independent "qualified custodians." Our clients' custodians will generally be banks, trust companies or broker-dealers unaffiliated with us. An exemption from the qualified custodian requirement exists with respect to securities that are (i) acquired from the issuer in a transaction or chain of transactions not involving any public offering; (ii) uncertificated, to the extent ownership thereof is recorded only on the books of the issuer or its transfer agent in the name of the client; and (iii) transferable only with prior consent of the issuer or holders of the outstanding securities of the issuer.

For those clients for which we are deemed to have custody of client assets within the meaning of the Advisers Act, either (1) such clients (and, where applicable, their investors) receive audited financial statements from us within the period of time required by Rule 206(4)-2 under the Advisers Act (in which case, investors in such clients are not entitled to receive quarterly account statements directly from such clients' qualified custodians) or (2) an independent public accountant conducts an annual surprise examination of such clients' assets and Raine ensures that investors in such clients receive quarterly account statements directly from each such client's qualified custodian.

ITEM 16 – INVESTMENT DISCRETION

We generally have discretionary authority based on the investment advisory agreements with, and the governing agreements of, the Raine investment vehicles, to buy and sell securities or other investments on their behalf, including, without limitation, to determine the amount of such investments to be bought and sold, subject to such restrictions that may be imposed in the applicable governing agreements for each Raine investment vehicle. These terms may restrict our advice concerning investments in certain securities or geographies, concentration limits or leverage, among others. In addition, as noted under Item 4.C, Raine

and its affiliates have entered (and may in the future enter) into agreements, or “side letters,” with investors whereby such investors may have certain rights, including the right to opt-out of particular investments.

ITEM 17 – VOTING CLIENT SECURITIES

Item 17.A – Authority to Vote Client Securities

Raine has authority to vote client securities. Raine has adopted and implemented policies and procedures reasonably designed to ensure that public company proxies as well as portfolio company solicitations received by Raine on behalf of a client (together, “proxies”) are voted in the best interests of its clients and to recognize and resolve any material conflicts of interest that may arise in the course of such voting.

Raine will vote proxies in the best interests of the relevant client. Prior to voting a proxy addressed to a Raine investment vehicle, typically a member of Raine’s internal legal team or the Chief Compliance Officer will discuss the proxy (which may be in person, by telephone or by email) with the Raine investment professionals with knowledge of the relevant portfolio company. Such individuals, in conjunction with Raine’s legal team or the Chief Compliance Officer, will review the proxy to determine (among other things) if there are any conflicts of interest. If a conflict is identified, such individuals (together with the Chief Operating Officer) will then make a determination as to whether the conflict is material or not. If no material conflict is identified pursuant to these procedures, the proxy will be voted in accordance with the best interest of the relevant Raine investment vehicle.

If a material conflict is identified, such individuals will determine what course of action is in the best interests of the affected Raine investment vehicle (which may include (a) utilizing an independent third-party to vote such proxies, (b) disclosing the conflict of interest to the applicable Raine client and obtaining its consent prior to voting or (c) such other method as is deemed appropriate under the circumstances). With respect to a Raine PE Fund, Raine will determine whether it is appropriate to disclose the conflict to the limited partner advisory committee of the relevant Raine PE Fund. Raine may ask the limited partner advisory committee for advice regarding how to deal with the conflict. The Raine Hedge Funds may, in the future, establish a review committee for a similar purpose.

Investors in the Raine investment vehicles do not have the ability to direct proxy votes. Investors may obtain additional information regarding how Raine voted proxies and may obtain a copy of Raine’s proxy voting policies and procedures by contacting the Chief Compliance Officer at (212) 603-5500 or legal@raine.com.

Item 17.B – Lack of Authority to Vote Client Securities

Not applicable.

ITEM 18 – FINANCIAL INFORMATION

Item 18.A – Balance Sheet

Not applicable.

Item 18.B – Financial Conditions Likely to Impair Contractual Commitments

Not applicable.

Item 18.C – Bankruptcy Petitions

Not applicable.

ITEM 19 – REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Raine is not registering, nor is it currently registered, as an investment adviser with any state securities authorities.

