

Item 1. Cover Page

Sun Mountain Capital Advisors, L.L.C.

Part 2A of Form ADV

Firm Brochure

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March 2021

This brochure provides information about the qualifications and business practices of Sun Mountain Capital Advisors, L.L.C. If you have any questions about the contents of this brochure, please contact us at 505-780-4218 and / or eddie.markman@sunmountaincapital.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority. Registration with the SEC as an investment adviser does not imply any certain level of skill or training.

Additional information about Sun Mountain Capital Advisors, L.L.C. is also available on the SEC’s website at: www.adviserinfo.sec.gov.

Item 2. Material Changes

There have been no material changes to our business since our last filing update in March 2020.

Item 3. Table of Contents

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Item 4. Advisory Business

Sun Mountain Capital Advisors, L.L.C. and its related advisors (collectively “SMCA”), based in Santa Fe, New Mexico, are venture capital, private credit, private equity and debt financing advisers that provide private fund investment advisory services through the management of pooled investment vehicles (referred to herein as “Funds”). The Funds are collectively referred to as “Clients”.

SMCA was founded in 2007 by a team of three senior investment professionals with over 80 years of combined private equity experience. We currently have eleven employees.

At SMCA, we have Funds that make investments primarily in the U.S. and Mexico via direct venture capital, private credit or debt financing investments, or into other venture capital funds via a fund-of-funds model. All Funds are structured as either as U.S. or Canadian limited partnerships.

SMCA provides management services, including the evaluation, structuring, and negotiation of potential investments, management consulting of the Funds’ portfolio companies (each a “Portfolio Company”) following an investment, and analyses and management of the timing of investment realizations. We have discretion to invest in a range of investment instruments consistent with the respective programs of each Fund. The terms by which SMCA provides investment advice to the Funds are described in each Fund’s governing documents, which may include a confidential offering memorandum, an investment management agreement, and a limited partnership agreement, among others. Investment advice is provided directly to each Fund and not individually to the limited partners or investors in the Funds.

As of December 31, 2019, SMCA’s discretionary assets under management was \$695,230,974.

Item 5. Fees and Compensation

A. Management Fees and Carried Interest:

With respect to discretionary assets, as described in each Fund’s confidential offering materials, SMCA receives a management fee and as described more thoroughly in Item 6, General Partners affiliated with SMCA may receive a performance-based carried interest. Annual management fees typically range from 1% to 2% of aggregate capital commitments or the cost basis of underlying investments. Management fees are subject to offset based on contractual provisions included in the limited partnership agreements. Management fees are generally collected quarterly in advance or in arrears. SMCA deducts management fees directly from the bank account of each Fund.

The management fee and carried interest or performance-based payments may be waived or reduced at the discretion of SMCA. As described in each Fund’s governing documents, the General Partner of each SMCA Fund, which are affiliates of SMCA, may admit certain investors who receive terms that are more favorable than those offered to other investors. More favorable terms offered to such investors may include, among other things, reduced carried interest or

management fees. Portfolio level fees are also received on certain investments. Such fees are offset against the management fee charged by the applicable private fund.

B. Additional Fees and Expenses:

In addition to management fees or other fees described above, investors bear indirectly the expenses charged to each SMCA Fund. Each Fund will pay, or reimburse SMCA, for normal and customary out-of-pocket expenses incurred in relation to the organization and offering of interests in a Fund (including, but not limited to, legal, accounting, filing, travel, marketing, printing, and start-up costs, i.e., organizational expenses), up to pre-negotiated limits as described in the relevant Fund's limited partnership agreement. The Funds will also pay or reimburse SMCA (to the extent not otherwise reimbursed by a third party) for normal and customary out-of-pocket expenses related to: (i) the identification, evaluation, negotiation, acquisition, due diligence, restructuring, closing, holding, monitoring, and disposition of investments for a Fund (whether or not consummated); (ii) the management, operation, development, improvement, financing and disposition of investments; and (iii) the ongoing administration of the Fund (i.e. partnership expenses). SMCA will bear the costs of all office space and facilities as reasonably required in performing services for the Fund, and the salaries and benefits of their officers and employees.

Please note that the terms "accounting" as described above and "financial statements" in Item 13.B. - Reporting, include those services provided by SMCA to certain Funds under an Administrative Services Agreement. Certain Funds pay a monthly fee for the financial reporting and accounting services provided by SMCA. These costs have been and will continue to be included in the Fund financial statements. The audited financial statements will also disclose this service within the footnote describing related-party transactions. SMCA has priced this service to be at terms more favorable to Funds and less than the market rate if such service were provided by a third-party firm. SMCA also periodically prices these services to ensure they remain below market.

General Partners to Funds may form additional advisory committees consisting of third parties ("Additional Committees") to advise it with respect to existing investments and specific investment opportunities. The members of Additional Committees may receive annual retainer fees commensurate with fees paid to independent directors of public companies for general advisory services plus reimbursement of related expenses. They may also have the opportunity to invest in a portion of the equity available to a Fund for investment. If members of Additional Committees generate investment opportunities on a Fund's behalf, such members may receive additional fees.

Investors in our Funds structured as fund-of-fund vehicles will have multiple fees due to fees paid at both the underlying fund level and SMCA level. These fees are described in the applicable Fund offering documents.

C. Public Board Compensation:

Certain SMCA employees may serve on the Board of Directors for companies held by a Client and receive compensation in the form of cash or options. Any cash compensation, as well as exercised options, is used to offset the management fees charged to the respective Client.

See Item 12 for information regarding the payment of brokerage related fees.

Item 6. Performance-Based Fees and Side-by-Side Management

In addition to the fees described in Item 5, General Partners affiliated with SMCA may receive a performance-based carried interest. Carried interest is performance-based compensation paid to the General Partner of a specific Fund representing a percentage of investment profits. In certain instances, carried interest is subject to a preferred return and catch-up provisions as described in a Funds' confidential offering materials. Carried interest distributions from the Funds may create an incentive for SMCA to make more speculative decisions regarding the purchase, management or sale of a Fund's assets. SMCA seeks to mitigate this potential conflict of interest by more closely aligning the economic interests of SMCA and its senior employees with investors in the Funds through "clawback" provisions in the partnership agreements that govern the Funds.

All performance compensation will be charged in accordance with Section 205 of the Investment Advisers Act of 1940, as amended (the "Act"), and Rule 205-3 thereunder.

Item 7. Types of Clients

SMCA provides discretionary investment advisory services to private investment vehicles, which are pooled investment vehicles comprised of a variety of qualified investor types including sovereign wealth funds, state governments, foreign governments, foreign corporations and high net worth individuals. These investment vehicles are exempt from the requirement to register as an investment company under Section 3(c)(1) or 3(c)(7) of the Investment Company Act of 1940.

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

SMCA manages several discretionary investment Funds. Each Client has a slightly different investment due diligence process depending on the specific requirements and charter of the Fund. While the specific requirements may vary for each Client, SMCA has a high-level due diligence process that applies across most due diligence efforts. The high-level stages and steps are as follows.

The following is an illustration of the typical multi-stage fund investment process which SMCA believes is an industry best practices approach to evaluating direct venture capital investments, private credit investments and debt financing investments, as well as investments into private equity and venture capital partnerships.

A. Initial Assessment

Team members typically conduct an initial assessment of the investment opportunity based on criteria such as fit with the program, the management team, the underlying fund track

record or company performance and a summary of strengths, risks and opportunities. This is followed by informal discussions of the opportunity by team members involved in the Fund in question. After these initial discussions of the opportunity, the team informally decides if the opportunity should move past the Initial Assessment stage. If the team feels the opportunity should move ahead, a due diligence team is assigned, and the Active Review stage of the investment process begins.

B. Active Review and Full Due Diligence

For investments approved by the Investment Committee for deeper evaluation, an investment team is assigned to conduct an active review of the opportunity. In most cases the team will utilize a due diligence questionnaire that will be sent to the underlying fund or company for completion. A template due diligence questionnaire may be used if one is available that fits the investment opportunity, or a new questionnaire may be developed as needed. After receipt of the completed due diligence questionnaire, the team will analyze the received data and follow up with any additional requests. The findings and progress of the investment team are discussed during working meetings and the entire team provides feedback and analysis support to the investment team throughout the process. Depending on the Client, different work products are maintained on the company drives or formal memos are produced.

C. Investment Decision and Investment Memo

The results of the due diligence team's findings are often formalized into an Investment Memorandum that is presented to the Investment Committee and other team members working on the Client to determine if the investment opportunity warrants consideration for commitment. If the team desires to move forward, the due diligence team pursues a review of all proposed terms and compares these with what it believes to be reasonable and customary terms across the industry. Upon the conclusion of this review, the Investment Committee for the Fund will formally decide whether or not to make the investment.

D. Commitment and Final Legal Documentation

Once the Investment Committee approves an investment, the investment team enters into final legal review, negotiation, and document revision. All aspects of the legal documents and structure are reviewed against accepted industry standards based on the team's experience and input from legal counsel as required. Only after all terms have been finalized to the team's satisfaction will final investment documents be executed, and funds wired as required.

Investing in securities is inherently risky. The investment opportunities recommended by SMCA are suitable only for experienced and sophisticated investors who can bear the economic risk of loss of their investment and who have limited need for liquidity in their investment. There can be no assurance that investors will achieve their investment objectives. Investors are referred to their contracts with SMCA for more complete information on the investment strategies employed and the corresponding risks associated with such investment strategies.

Valuations of all portfolio investments are provided to the Firm's independent auditors for review in connection with each Fund's annual audit. Fund investors should read the offering documents and limited partnership agreements fully before investing.

The year 2020 represented unusual risks for the economy due to the global Coronavirus pandemic. This added new risks or heightened certain risks for our firm, such as:

Volatile Political, Market and Economic Conditions: Investments in many industries have experienced significant volatility over the last year. The ability to realize investments depends, in part, on political, market and economic conditions. The trading market for portfolio companies may not be sufficiently liquid to enable a Firm Client to sell when it believes that it is most advantageous to do so, or without adversely affecting the price. Continued volatility in political, market or economic conditions, including an outbreak or escalation of major hostilities, the spread of infectious illness or other public health issues, declarations of war or other substantial national or international calamity or emergency, could have a material adverse effect on any Firm Client, directly or as a result of causing a material adverse effect on an underlying investment. In addition, Firm Clients may make investments in certain publicly traded vehicles that make private investments in multiple companies or in publicly traded debt. Such investments could experience higher volatility and risk.

Cybersecurity Risk: In addition to the risks associated with the value of investments, there are various operational, systems, information security and related risks involved in investing, including but not limited to "cybersecurity" risk. A breach in cybersecurity refers to both intentional and unintentional events that can cause an account to lose proprietary information. Such events include misappropriating sensitive information, access to digital systems to obtain client and financial information, corrupting data or causing operational disruption. Similar adverse consequences could result from cybersecurity incidents affecting counterparties with which we engage in transactions, third-party service providers (e.g., a Client account's custodian), governmental and other regulatory authorities, exchange and other financial market operators, banks, broker dealers and other financial institutions, and other parties.

Business Continuity Risk: The Firm has adopted a business continuation strategy to maintain critical functions in the event of a partial or total building outage affecting our offices or a technical problem affecting applications, data centers or networks. The recovery strategies are designed to limit the impact on Clients from any business interruption or disaster. Nevertheless, our ability to conduct business can be curtailed by a disruption in the infrastructure that supports our operations.

Item 9. Disciplinary Information

SMCA and its employees have not been involved in any legal or disciplinary events that would be material to an investor's or prospective investor's evaluation of SMCA or its personnel.

Item 10. Other Financial Industry Activities and Affiliations

A. Investment Funds and General Partners/Relying Advisers:

SMCA serves as the investment adviser to: (1) Badger Fund of Funds I, L.P., (2) Mexico Ventures I, L.P., (3) Mexico Ventures I Annex Fund, L.P., (4) Mexico Ventures II Direct Fund, L.P., (5) Mexico Ventures II Fund of Funds, L.P., (6) Mexico Ventures Mezzanine I Fund of Funds, L.P., (7) New Mexico Catalyst Fund, L.P., (8) New Mexico Recovery Fund, L.P., (9) NMSIC Co-Investment Fund L.P., and (10) Sun Mountain Private Credit Fund I, L.P. (the “Credit Fund”).

SMCA is under common control with the following General Partner entities: (1) Sun Mountain Kegonsa, L.L.C., (2) Sun Mountain Capital Partners L.L.C., (3) Sun Mountain Capital Partners (Mexico), L.P., (4) Sun Mountain Capital Partners (Mexico), GP, L.L.C., (5) Sun Mountain Capital, L.L.C., and (6) Sun Mountain Private Credit Investors, L.L.C., each a Relying Adviser.

The affiliations between SMCA, the private funds and co-invest vehicles for which it provides investment advice, and the general partners are disclosed in the confidential offering materials.

The General Partners, the Principals and their affiliates have existing and potential relationships with Portfolio Companies and institutions located in the regions in which the Clients expects to invest. In providing services to their Clients, the General Partners, the Principals and their affiliates may face conflicts of interest with respect to activities recommended to or performed for such Clients, on the one hand, and the Funds, the Limited Partners of the Funds, or the Portfolio Companies in which the Funds invests, on the other hand. The General Partner and its affiliates may also face conflicts of interest regarding any purchase or sale transactions involving an investment by the Funds, whether to or from a Client of the General Partner, the Principals or their affiliates, and in connection with the consideration offered by, and obligations of, such Client in such transactions. In such cases, the General Partner, the Principals and their affiliates owe fiduciary duties to the Client that may make its own interest adverse to that of the Funds. In addition, these Client relationships may present conflicts of interest in determining whether to offer certain investment opportunities to the Funds.

Because SMCA has multiple Clients, there is a risk that an investor might seek to invest in a portfolio company of another Client. In that event, SMCA would bring the conflict of interest to the attention of the relevant parties and seek their consent before consummating the investment.

B. Conflicts of Interest

While the following is not intended as an exhaustive list of the potential conflicts, investors should be aware that there will be occasions when SMCA and its affiliates encounter potential conflicts of interest in connection with certain direct venture capital investments, private credit investments, debt financing investments, and/or investments in venture capital fund-of-funds. As applicable, SMCA will consult with the Limited Partner Advisory Committee (LPAC) associated with the Fund in which the potential conflict has arisen and / or directly with the relevant parties with respect to any matter which it determines in good faith that a material conflict of interest exists.

SMCA may make investments or co-investments in portfolio companies owned or managed by individuals (who may be the co-investors), or some of whom may serve on a portfolio company's Board of Directors, who are also invested in a different SMCA Fund. Given the nature and timing of investment opportunities, while the General Partner may bring investment opportunities to the attention of certain Limited Partners, there is no guarantee that the General Partner will bring investment opportunities to the attention of all Limited Partners.

Separately, certain investors in the Funds may be affiliated with a fund (i.e., be a general partner in a fund) in which SMCA has made an investment. Potential conflicts of interest may therefore arise between one or more funds or fund-of-funds, on the one hand, and the SMCA Fund and the Limited Partners on the other. SMCA utilizes a high-level, multi-stage due diligence process when selecting investments based on several defined factors without regard to such relationships.

Certain employees of SMCA may receive shares of companies in which a Fund invests. A financial incentive exists in that if the company performs well the employees' shares will increase in value. We believe that this conflict is mitigated because any potential profits earned will be allocated solely to the Fund and not the employee.

SMCA will enter into side letters with certain investors who negotiate specific terms or conditions for their investment. The typical arrangements negotiated may include reduced fees, or more frequent reporting to the investor.

Co-investment opportunities may be available to investors in a particular Fund. Co-investment opportunities are discussed with all investors in the applicable Fund and are selected based upon an investor's interest in the opportunity as well as their capital available.

i. Investment Transactions and Opportunities related to the Credit Fund

Conflicts of interest could arise in connection with investments for the Credit Fund or other investment vehicles of the Credit Fund's General Partner. Hal Hayden, a Managing Director of the Credit Fund's General Partner, is also an Advisor and employee at Trinity Capital Inc. ("Trinity"), a venture debt and equipment lease provider to technology companies nationwide. Trinity and the Credit Fund target very different types of companies. As such, SMCA does not expect that instances of overlapping interest will occur very often, if at all. In the event there are investment opportunities that are suitable to both Trinity and the Credit Fund which are sourced by Mr. Hayden, such opportunities will be first presented to Trinity and the Credit Fund will not pursue the opportunity until Trinity has elected not to make an investment or Trinity invites the Fund to invest alongside Trinity or its affiliates.

Any conflicts of interest that arise between the Credit Fund or particular investors, on the one hand, and the Credit Fund's General Partner, SMCA and their respective affiliates, on the other hand, will be discussed and resolved on a case-by-case basis by the Credit Fund General Partner and/or the General Partner's Principals taking into consideration the interests of the relevant parties and the circumstances giving rise to the conflicts. Prospective investors are encouraged

to review the Credit Fund's confidential private placement memorandum for further discussion related to the Credit Fund's relationship with Trinity.

Conflicts of interest could also arise in connection with debt financing investments made by the New Mexico Recovery Fund, L.P. and the NMSIC Co-Investment Fund, L.P., the Credit Fund and the New Mexico Catalyst Fund, L.P. To mitigate a potential conflict, the limited partnership agreement of the New Mexico Recovery Fund, L.P. states that the entity will not make any debt financing investments into any portfolio companies of the NMSIC Co-Investment Fund, L.P. or the Credit Fund, nor to portfolio companies of the underlying investment funds of the New Mexico Catalyst Fund, L.P.

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

A. Code of Ethics:

SMCA's employees are subject to a Code of Ethics (the "Code") in accordance with Rule 204A-1 under the Act. The Code is available by contacting SMCA's Chief Compliance Officer ("CCO"), Edward Markman, at eddie.markman@sunmountaincapital.com.

The Code reflects the fiduciary duty owed by SMCA to its Clients and sets out standards of business and personal conduct for each employee. Guidelines and reporting requirements for personal trading in the Code are intended to mitigate and monitor potential conflicts of interest. A related Insider Trading policy prohibits employees from trading securities personally or on behalf of a Fund while in possession of material non-public information.

B. Personal Trading:

To mitigate possible conflicts of interest arising from personal trading and others that may arise, SMCA has established policies requiring prior written approval from the CCO for any supervised person to acquire beneficial ownership of any securities in a private placement or initial public offering. The CCO must be provided with full details of the proposed transaction (including certification that the investment opportunity did not arise by virtue of the person's activities on behalf of a Client) and, if approved, is subject to continuous monitoring for possible future conflicts of interest.

All employees are required to certify annually that they have complied with the Code and to make annual reports regarding their personal securities account holdings and quarterly reports regarding their personal securities trading activity.

C. Gifts and Entertainment:

SMCA has policies in place governing the types and value of gifts and forms of entertainment that employees may accept from, or give to, Clients, investors, brokers, vendors, or other persons with whom the Firm does business. All giving and receipt of non-personal gifts and entertainment more than \$250 is reported to the CCO. Extraordinary or extravagant gifts are not permissible and must be declined or returned.

D. Political Contributions/Pay-To-Play:

Since SMCA has several government related investors, we have a written policy on Political Contributions that follows Rule 206(4)-5 of the Act.

E. Participation or Interest in Client Transactions:

SMCA does not typically facilitate purchase or sale transactions between any Clients, SMCA or its officers and employees. Any such transaction, in the event it was to occur, would be in accordance with Section 206(3) of the Act and the rules promulgated thereunder.

Certain employees and officers of SMCA invest in the Funds through the General Partners of the Funds. This helps ensure that their interests are aligned with the Funds.

Item 12. Brokerage Practice

A. Best Execution, Broker Selection and Soft Dollars:

SMCA focuses on making investments in private securities. Thus, it does not ordinarily deal with any financial intermediary such as a broker-dealer, and commissions are not ordinarily payable regarding such investments.

However, in the case of temporary investments or securities of portfolio companies that go public or are acquired by publicly traded entities, SMCA would be in the position of selecting broker dealers on behalf of Clients.

There are no restrictions on SMCA's authority to determine, without obtaining specific Fund consent, the brokers or dealers used for this purpose. Thus, to the limited extent the Funds engage in transactions other than investments in private securities of a Portfolio Company, SMCA has the authority to determine the financial intermediaries to be used for such transactions and to negotiate the amount of commission or other compensation to be paid to such intermediaries in connection with such transactions. If SMCA determines to engage a broker, it will select the broker considering the range and quality of its brokerage services, its execution capability, commission rate, financial responsibility and responsiveness, and the value of research provided, if any.

B. Allocation and Aggregation Policies:

SMCA strives to have fair and equitable allocation practices across Funds with no Fund being favored or disfavored over any other Fund.

Item 13. Review of Accounts

A. Review of Accounts:

SMCA reviews reports, attends meetings and holds conference calls with Portfolio Companies to monitor their progress.

B. Reporting:

SMCA provides quarterly and annual audited financial statements and partnership tax returns for each limited partner within a Fund.

Item 14. Client Referrals and Other Compensation

To the extent SMCA pays fees to unaffiliated placement agents for investor referrals, all such activities will be conducted in a manner that is consistent with relevant SEC guidance. Any new arrangements with placement agents must be approved in advance by SMCA's CCO.

Item 15. Custody

SMCA, as the adviser to pooled investment vehicles, has related persons that are considered to maintain custody of Fund assets (Fund General Partners). Rule 206(4)-2 of the Advisers Act sets forth the rules for advisers who have related persons which maintain custody of client funds and securities. It is SMCA's policy to comply with these rules through the maintenance of separate custodial arrangements with qualified bank custodians, the issuance of quarterly statements to investors showing the investors' securities and funds, and an annual independent financial audit of the Funds performed by third-party unrelated public accountants. All investors receive copies of the audited financial statements in accordance with Rule 206(4)-2. It is SMCA's policy that all funds, securities, and other assets, are maintained in the name of the respective Client. Any private stock certificates held by SMCA are maintained in accordance with SEC guidance regarding privately offered securities under the Act's Custody Rule.

Item 16. Investment Discretion

SMCA serves as the Funds' investment adviser with discretionary authority to implement investment decisions for each Fund. This authority is described in the offering documents for each Fund. SMCA will make investments that are consistent with the mandates described in the Funds' governing documents, but otherwise has broad authority to select investments on a discretionary basis.

Item 17. Voting Client Securities

SMCA or its representatives may have the opportunity to vote on a variety of corporate actions on behalf of the Funds. SMCA has adopted written policies and procedures to ensure that any such voting opportunity is exercised with diligence, care, and loyalty.

Current and prospective investors in the Funds may request a copy of SMCA's written policies and procedures governing the voting of corporate actions. Current investors may also request information about the way in which SMCA voted assets held by their respective Funds.

Please contact our CCO at 505-780-4218 for more detailed information on our proxy policy.

Item 18. Financial Information

SMCA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to its Clients.