

DISCLOSURE BROCHURE

Elm Park Capital Management, LLC

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This brochure provides information about the qualifications and business practices of Elm Park Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at 972-499-3359. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Elm Park Capital Management, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 - Material Changes

Since its last amendment in March 2020, this Brochure has been amended to update our risk disclosures, and to make other minor edits as we deemed appropriate.

Item 3 - Table of Contents

Item 2 – Material Changes	2
Item 3 – Table of Contents.....	3
Item 4 – Advisory Business	4
Item 5 – Fees and Compensation.....	5
Item 6 – Performance-Based Fees and Side-By-Side Management	6
Item 7 – Types of Clients	6
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.....	6
Item 9 – Disciplinary Information	16
Item 10 – Other Financial Industry Activities and Affiliations	16
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	16
Item 12 – Brokerage Practices.....	18
Item 13 – Review of Accounts.....	19
Item 14 – Client Referrals and Other Compensation	19
Item 15 – Custody	19
Item 16 – Investment Discretion.....	19
Item 17 – Voting Client Securities	19
Item 18 – Financial Information	20

Item 4 - Advisory Business

Elm Park Capital Management, LLC (the “Adviser”) was founded in 2010 and provides investment advisory services to six pooled vehicles, Elm Park Credit Opportunities Fund, L.P., Elm Park Credit Opportunities Fund II, L.P., Elm Park Credit Opportunities Fund III, L.P., Elm Park Credit Opportunities Fund (Canada), L.P. and Elm Park Credit Opportunities Fund II (Canada), L.P., Elm Park Credit Opportunities Fund III (Canada), L.P. (collectively referred to herein as the “Funds”). The Adviser also provides non-discretionary investment management services pursuant to a sub-advisory agreement with an SEC registered investment manager (together with the Funds, the “Clients”). The Adviser is controlled by Mark Schachter and Charles Winograd (the “Principals”).

The Adviser is a buy-and-hold manager which invests on behalf of the Funds in middle-market loans and opportunistic secondary market purchases of private credit assets. The Funds will make investments in privately negotiated debt transactions as well as the purchase of performing and non-performing private debt on a secondary basis with a focus on North American companies.

The Adviser targets borrowers that are generally too small to attract adequate attention from banks or larger funds (typically less than \$200 million in enterprise value). In particular, the Adviser expects to seek opportunities with borrowers that (1) are seeking to close financing on an expedited timeframe, (2) require flexible terms and creative structuring and/or (3) are undergoing balance sheet restructuring. The Adviser specializes in evaluating investment opportunities in borrowers with capital structures, business or collateral that are complicated and require additional effort to understand and value, and expects that a significant portion of the Funds’ investments will be in debt instruments.

All discussion of the Funds in this brochure, including but not limited to their investments, the strategies used in managing the Funds, and conflicts of interest faced by Elm Park Capital Management, LLC in connection with the management of the Funds are qualified in their entirety by reference to each Fund’s respective Offering Documents.

As of the date of this Brochure, the Adviser has total assets under management of approximately \$537.8 million which includes \$529.9 million of discretionary assets under management and \$7.84 million of non-discretionary assets under management.

Item 5 - Fees and Compensation

Funds

For its services to the Funds, the Adviser receives a management fee (the “Management Fee”) of 1% of committed capital during the Funds’ investment period. In certain circumstances thereafter, as specifically defined in the Funds’ private placement memoranda, the Management Fee is calculated on invested capital. The Management Fee is billed to investors (the “Limited Partners”) and payable quarterly in advance.

Limited Partners are also required to fund an amount necessary to reimburse each such Limited Partner’s share of the organizational expenses of the Fund.

The Adviser also charges the Funds an incentive fee (the “Incentive Fee”) of approximately fifteen percent (15%) to eighteen percent (18%) of profits, with an eight percent (8%) hurdle rate. A hurdle rate requires the Funds’ profits to exceed a specified rate of return before the Adviser receives its performance compensation.

The Adviser has the discretion to reduce the Management Fee or the Incentive Fee in appropriate circumstances. Generally, the Funds bears all fund expenses as defined in each Fund’s respective offering memoranda. For a more complete discussion of Fund fees and compensation, please refer to the Funds’ private placement memoranda.

Sub-Advisory Services

The Adviser’s fees and compensation for sub-advisory services are governed by the terms and conditions of each sub-advisory agreement. Each such agreement is individually negotiated, and therefore fees and compensation vary greatly between them. Fund investors should reference the Funds’ private placement memoranda for a more complete discussion of these sub-advisory agreements.

Special Consultants

Additionally, as may be described in the Funds’ governing documents, the Adviser may retain certain other companies and individuals (“Special Consultants”) to provide services to, or in connection with one or more investment opportunities or a certain current or prospective portfolio investment. Such Special Consultants generally provide services in relation to the identification, acquisition, holding, and/or improvement of investment opportunities. Special Consultants receive compensation that may include cash fees, retainers, transaction fees, co-investment rights or other incentive-based compensation, which may be determined according to one or more methods. Additionally, the Adviser may provide opportunities for Special Consultants to invest in such portfolio opportunities and reimburse costs and expenses incurred by Special Consultants. Special Consultants also may receive remuneration from the Adviser or affiliates and/or be entitled to other forms of compensation. Such investment opportunities, reimbursements and other compensation paid to a Special Consultant generally will not offset the Management Fee.

Item 6 - Performance-Based Fees and Side-By-Side Management

The Adviser engages in performance-based fee arrangements. The use of performance-based compensation generally may create an incentive for the Adviser to recommend an investment that may carry a higher degree of risk to Clients, and to favor Clients which have a greater performance-based fee. The Adviser has implemented procedures designed to mitigate such incentives, and allocates investment opportunities fairly and equally among the Clients.

For a more complete discussion of the fees and compensation, please refer to the Funds' private placement memoranda.

Item 7 - Types of Clients

The Adviser provides investment management services for six privately pooled investment vehicles, Elm Park Credit Opportunities Fund, L.P., Elm Park Credit Opportunities Fund II, L.P., Elm Park Credit Opportunities Fund III, L.P., Elm Park Credit Opportunities Fund (Canada), L.P., Elm Park Credit Opportunities Fund II (Canada), L.P., and Elm Park Credit Opportunities Fund III (Canada), L.P. The Adviser also provides non-discretionary sub-advisory investment management services to an SEC registered investment adviser. The minimum initial investment for the Funds is one million dollars (\$1,000,000), though lesser amounts may be accepted at the sole discretion of the Fund's General Partner.

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

Analysis and Strategies

The investment objective is to generate superior risk-adjusted returns by investing in a diverse portfolio of private credit opportunities. The Adviser believes that there are structural inefficiencies in debt markets to be exploited.

The Adviser requires that new positions (1) have attractive credit metrics, (2) have attractive risk/return prospects, and (3) meet the Adviser's diversification requirements. The Adviser expects the average holding period to be 3 years with a contractual maturity range of 1-5 years. New investments are subject to unanimous approval of the investment committee consisting of the Principals. The Fund's portfolios will not trade on a public exchange because all investments are private.

The vast majority of the Adviser's research is primary by nature including customer calls, channel checks, management and plant site visits as well as attending conferences. Outside advisors, counsel, consultants, accountants and investment banks may be involved in a given investment due diligence process depending on the nature of the transaction. The Adviser has a stringent sourcing, underwriting and asset management process, which should provide for sustainable returns.

Risk

Investing in securities involves risk of loss that investors should be prepared to bear. Other than those related specifically to Fund structure, all the risks described herein as those of the Funds apply equally to any advisory service offered by the Adviser, including sub-advisory services.

The Funds' investing involves the risk of incurring substantial or total losses. The success of the Funds depends on making profits, not merely avoiding losses. Unless profits are generated, the Funds' assets will be depleted by its fees and the Funds will fail as investments. No one who is not able to independently evaluate the risks and merits of investing in the Funds is eligible to be offered or should consider making an investment in the Funds. Prospective investors should carefully consider the following factors, which do not purport to be a complete list of all risks involved in an investment in the Funds.

General Risks

Potential Loss of Investment. An investment in the Funds involves a high degree of risk. There can be no assurance that the Funds' investment objectives will be achieved or that Limited Partners will not lose all or substantially all of their investment in the Funds. The Funds are not a complete investment program and should represent only a portion of an investor's portfolio management strategy.

Devotion of Time. The Adviser and its affiliates may, in the future, manage accounts other than the Funds and another significant account that it manages, and may devote substantial time and resources to doing so.

Increasing the Assets Managed by the Adviser May Adversely Affect Performance. There appears to be a tendency for the rates of return achieved by advisors to degrade as assets under management increase. There is a limit in the approximate range of \$300 to \$325 million on the total amount of capital commitments that may be accepted on behalf of the Funds.

Competition. The Funds compete with numerous other private investment funds and financial institutions (both diversified and specialized funds), as well as other investors, many of which have substantially greater resources than the Funds. The amount of capital committed to "alternative investment strategies" has increased dramatically during recent years. The profit potential of the Funds may be materially reduced as a result of the increased competition within the alternative investment field.

Financing Arrangements; Availability of Credit. There can be no assurance that the Funds will be able to maintain adequate financing arrangements under all market circumstances. The imposition of financial limitations or restrictions could compel the Funds to liquidate all or part of its portfolio at disadvantageous prices. The financing available to the Funds from banks, dealers and other counterparties is likely to be restricted in disrupted markets.

Risk of Litigation. In the ordinary course of business, the Funds may be subject to litigation from time to time. In addition, the Funds may accumulate substantial positions in the securities of issuers that become involved in litigation.

Additional Government or Market Regulation. Certain legislation proposing greater regulation of the industry is considered periodically by the U.S. Congress, as well as the governing bodies of non-U.S. jurisdictions. There can be no assurance that income tax, securities and other laws will not be changed in a manner which adversely affects the distributions received by the Funds or by the Limited Partners.

Limited Regulatory Oversight. The Funds are not registered as “investment companies” under the U.S. Investment Company Act of 1940 or any comparable Canadian provincial regulatory requirements, and do not intend to do so. Accordingly, the provisions of such regulations, which among other things generally require investment companies to have a majority of disinterested directors, require securities held in custody at all times to be maintained in segregated accounts and regulate the relationship between the investment company and its asset manager, are not applicable to an investment in the Funds. The Funds are not subject to comparable regulation in any non-U.S. jurisdiction. Therefore, Limited Partners do not have the benefit of the protections afforded by, nor are the Funds subject to the restrictions contained in, such registration and regulation. In addition, the Adviser is not registered as a “commodity pool operator” or “commodity trading advisor” with the CFTC. Therefore, neither the Funds nor the Limited Partners have the benefit of the protections afforded by, nor is the Adviser subject to the restrictions contained in, such registrations and regulations.

Risks Relating to the Funds’ Strategies

Investment Due Diligence and Research; Reliance on Corporate Management and Financial Reporting. In certain instances, due diligence information available to the Adviser at the time of an investment decision may be limited and the Adviser may have neither access to adequately granular information nor adequate time to analyze the information necessary for a complete evaluation of the investment opportunity. It is also possible that the due diligence and research conducted may not reveal all the relevant facts and information that may be necessary to evaluate such investment opportunity. In the worst-case scenario, information may be manipulated or fraudulent. The Funds could incur material losses as a result of the misconduct or incompetence of such individuals and/or a substantial inaccuracy in such information.

Importance of Individual Judgment. The individual judgment and discretion of the Adviser’s personnel are fundamental to the implementation of its strategies. There can be no assurance that such individual judgment will be accurate, achieve profits or avoid losses.

Limited Restrictions on the Funds’ Investments. The Funds’ investments are limited only by the amount that may be invested in a single portfolio investment (subject to the approval of the advisory committee to invest a greater amount) and the Adviser’s investment strategies described herein. Such strategies may involve higher levels of risk than the ones discussed herein.

Illiquid Investments; Uncertain Exit Strategies. The Funds expect to invest in and hold to maturity instruments that do not have a significant secondary market. Due to the illiquid nature of many of the positions which the Funds are expected to acquire, as well as the uncertainty of the success of their issuers, the Adviser is unable to predict with confidence what the exit strategy will ultimately be for any given portfolio investment, or that one will definitely be available.

Portfolio Concentration and Risk Management. The Adviser has no specified diversification policies as to the percentage of the Funds' assets that may be invested in any particular industry or country and expects the Funds' portfolio to be concentrated in 10 to 25 portfolio investments with borrowers located in the United States and Canada. However, Fund III primarily invests in the United States. The Funds' portfolio may consist of substantially fewer portfolio investments if the Adviser is unable to identify or execute on appropriate opportunities. No more than 10% of the sum of the aggregate capital commitments employed by the Funds will be invested in or committed to the issuer of any portfolio investment, as determined on a cost basis at the time of investment, without the approval of the advisory committee. Any inadequacy or failure in risk management could result in material losses to the Funds.

Availability of Investment Opportunities. There can be no assurance that the Adviser will be able to find suitable opportunities consistent with its investment approach. Market conditions may limit the availability of investment opportunities. Such limitations may cause delays in deploying the Funds' capital and may negatively impact the Funds' returns.

Risks Relating to Portfolio Investments

General Risks of Fixed Income Investments. The risk that the performance of the Funds could be adversely affected by losses on the fixed-income investments may be increased to the extent the Funds' portfolio is concentrated in any one issuer, industry, region or country. Investments in unrated fixed income instruments in which the Funds may invest, while generally providing greater opportunity for gain and income than investments in higher rated instruments, usually entail greater risk.

Risks Relating to Loans and Bank Loan Assignments and Participations. In addition to the risks associated with a default by the borrowers, risks associated with these obligations include, without limitation, the following: (i) there may be an inadequate perfection of a loan's security interest; (ii) the possible invalidation or compromise of an investment transaction as a fraudulent conveyance or preference under relevant creditors' rights laws; (iii) lender liability claims by the issuer of the bank loan obligations; (iv) the validity and seniority of bank claims and guarantees; (v) depreciation in value and environmental (or other) liabilities that may arise with respect to collateral securing the obligations; (vi) adverse consequences resulting from participating in such instruments through or with other institutions with lower credit quality; (vii) limitations on the ability of the Funds or the Adviser to directly enforce its rights with respect to loans held via participation; (viii) increased counterparty risk due to uncertainty in the length of settlement periods; and (ix) conflicts of interest between and among the Funds, the agents on such loans and other lenders that may compromise the Funds' ultimate recovery.

While the Adviser will generally purchase bank loans on assignment and to the extent it needs to use participations, conduct due diligence to balance the magnitude of these risks against the potential investment gains prior to entering into each such investment and attempt to monitor the investment for such risks during the investment's holding period, there can be no assurances that any such due diligence or monitoring will be effective. Successful claims by third parties arising from these and other risks will be borne by the Funds.

Loans may become nonperforming or impaired for a variety of reasons. Such nonperforming or impaired loans may require substantial workout negotiations or restructuring that may entail, among other things, a substantial reduction in the interest rate and/or a substantial write-down of the principal of the loan. In addition, because of the unique and customized nature of a loan agreement and the private syndication of a loan, certain loans may not be purchased or sold as easily as publicly traded securities, and, historically, the trading volume in the loan market has been small relative to other markets.

The Funds may purchase revolving loans or make new loans that carry with them obligations to fund in the future, including delayed draw term loans. Contingent obligations may result in reserves and holdbacks upon a distribution of a Limited Partner's capital and/or dissolution of the Funds, which reserves may persist indefinitely.

The Funds may acquire interests in loans either directly, by way of assignment or indirectly, for example, by way of participation. In the case of a participation, the Funds would have the right to receive payments of principal, interest and any fees to which it is entitled under the participation only from the selling institution and only upon receipt by the selling institution of such payments from the obligor. The Funds may have to assume the credit risk of both the obligor and the selling institution.

In addition, when the Funds hold a participation in a debt obligation, the Funds may not have the right to vote to waive enforcement of any default by an obligor. Selling institutions commonly reserve the right to administer the debt obligations sold by them as they see fit and to amend the documentation evidencing such debt obligations in all respects.

A selling institution voting in connection with a potential waiver of a default by an obligor may have interests different from those of the Funds, and the selling institution might not consider the interests of the Funds in connection with its vote.

Equitable Subordination. Under common law principles that sometimes form the basis for lender liability claims, a court may elect to subordinate the claim of the offending lender or bondholder to the claims of the disadvantaged creditor or creditors. The Adviser does not intend to engage in conduct that would form the basis for a successful cause of action based upon the equitable subordination doctrine. However, the Funds may be subject to claims from creditors of an obligor that debt obligations of such obligor which are held by the issuer should be equitably subordinated.

Non-Performing Nature of Debt. It is anticipated that certain debt instruments purchased by the Funds will be non-performing and possibly in default. Furthermore, the obligor or relevant guarantor may also be in bankruptcy or liquidation. There can be no assurance as to the amount and timing of payments, if any, with respect to the loans.

Investing in Private Debt Involves Particular Risks. Private debt obligations are generally unrated or below investment grade rated investments that have greater credit and liquidity risk than more highly rated debt obligations. Private debt obligations are typically issued in traditional private placements or in connection with acquisitions and other business combinations and have no trading market. Moreover, private debt obligations may be unsecured and subordinate to other obligations of the obligor and are subject to many of the same risks as those associated with high-yield debt obligations. Adverse changes in the financial condition of the issuer of private debt obligations, or in general economic conditions, or both may impair the ability of the obligor to make payment of principal and interest. Issuers of private debt obligations may be highly leveraged, and their relatively high debt-to-equity ratios create increased risks that their operations might not generate sufficient cash flow to service their debt obligations.

Risks Relating to Investments in Distressed and Bankrupt Companies. The Funds may invest in securities, claims and obligations of U.S. and Canadian issuers which are experiencing (or may come to experience) significant financial or business difficulties. The Funds may invest in distressed securities and instruments (or securities and instruments that become distressed) of all kinds, none of which are publicly traded. These securities and obligations are likely to be particularly risky investments although they also may offer the potential for correspondingly high returns. Among the risks inherent in investments in troubled entities is the fact that it frequently may be difficult to obtain information as to the true condition of such issuers. Such companies' securities may be considered speculative, and the ability of such companies to pay their debts on schedule could be affected by adverse interest rate movements, changes in the general economic climate, economic factors affecting a particular industry or specific developments within such companies. In addition, there is no minimum credit standard that is a prerequisite to the Funds' investment in any instrument, and a significant portion of the obligations and securities in which the Funds invest are expected to be less than investment grade. The level of analytical skill, both financial and legal, necessary for successful investment in companies experiencing significant business and financial difficulties is unusually high. There is no assurance that the Adviser will correctly evaluate the value of the assets collateralizing the Funds' loans or the prospects for a successful reorganization or similar action.

Participation on Creditors' Committees May Expose the Funds to Other Sources of Liability. The Funds may participate in committees formed by creditors to negotiate the management of financially troubled companies that may or may not be in bankruptcy or the Funds may seek to negotiate directly with the debtors with respect to restructuring issues. By participating on such committees, the Funds may be deemed to have duties to other creditors represented by the committees, which might thereby expose the Funds to liability to such other creditors who disagree with the Funds' actions.

Lender Liability Considerations and Equitable Subordination Can Affect the Funds' Rights with Respect to Investments. In certain circumstances, judicial decisions in the United States have upheld the right of borrowers to sue lenders or bondholders on the basis of various evolving legal theories (sometimes referred to as “lender liability”). Because of the nature of certain structured finance transactions, the Funds may be subject to claims from creditors of an obligor, that debt obligations issued by such obligor that are held by the Funds should be equitably subordinated. The laws of certain non-U.S. jurisdictions may impose liability upon lenders or bondholders under factual circumstances similar to those described above, with consequences that may or may not be analogous to those described above under U.S. federal and state laws.

Investment in Smaller Issuers. The pursuit of the Funds’ investment strategy will result in a significant portion of the Funds’ assets being invested in companies which are smaller and less well-known than larger, better known companies. Securities of smaller issuers may also present greater risks. For example, some smaller issuers often have limited product lines, markets or financial resources. They may be subject to high volatility in revenues, expenses and earnings. They may be dependent for management on one or a few key persons, and can be more susceptible to losses and risks of bankruptcy.

Limited Hedging. The Adviser does not, in general, attempt to hedge all of the risks of the Funds’ positions, but may only hedge foreign exchange risks and interest risks, and may only hedge such risks partially. Various directional market risks in the Funds’ portfolio will often remain entirely unhedged.

Currency Exchange Exposure and Currency Hedging. Although the interests in the Funds are issued in exchange for U.S. Dollars, the Funds’ investments may be made in foreign currency. The Adviser will generally seek to hedge (in whole or in part) investments denominated in foreign currency to attempt to minimize the effect of fluctuations in the exchange rate with U.S. Dollars. As it is impossible to predict the future performance of the foreign currency, it is likely that the Funds’ investments will always be over- or under-hedged against currency rate exchange risks. In addition, the Adviser may choose not to enter into hedging transactions with respect to some or all of its positions that are exposed to currency exchange risk.

Market-Related Risks

Market Risks In General. The Adviser’s strategies are subject to some dimension of market risk, including, but not limited to, changes in the regulatory environment, “flights to quality” and “credit squeezes.” The particular or general types of market conditions in which the Funds may incur losses or experience unexpected performance volatility cannot be predicted, and the Funds may materially under perform other investment funds with substantially similar investment objectives and approaches.

Market Disruptions; Governmental Intervention; Dodd-Frank Wall Street Reform and Consumer Protection Act. In response to the recent financial crises of 2008 -2009, the Dodd Frank Wall Street Reform and Consumer Protection Act (the “Reform Act” or the “Dodd-Frank Act”) became law in July 2010.

The Reform Act seeks to regulate markets, market participants and financial instruments that previously have been unregulated and substantially alters the regulation of many other markets, market participants and financial instruments. The Reform Act could result in certain investment strategies in which the funds engage or may have otherwise engaged becoming non-viable or non-economical to implement. The Reform Act and rules and regulations adopted pursuant to the Reform Act could have a material adverse impact on the profitability of the Funds.

The “Volcker Rule” component of the Dodd-Frank Act materially restricts proprietary speculative trading by banks, “bank holding companies” and other regulated entities. As a result, there has been a significant influx of new portfolio managers into private investment funds that had previously invested on behalf of institutional proprietary accounts. Such influx can only increase the competition for the Funds from other talented portfolio managers.

Monetary Policy and Governmental Intervention

As part of the response to recent global financial crises, the U.S Federal Reserve (the “Federal Reserve”) and global central banks have, in addition to other governmental actions to stabilize markets and seek to encourage economic growth, acted to hold interest rates to historic lows. It cannot be predicted with certainty when, or how, these policies will change, but actions by the Federal Reserve and other central banks may have a significant effect on interest rates and on the U.S. economy generally, which in turn may affect the performance of the Partnership’s investments or the ability of the Partnership to realize its investment objectives.

Potential Public Health Crisis; Covid-19. A public health crisis, pandemic, epidemic or outbreak of a contagious disease, such as the recent outbreak of Coronavirus (or Covid-19) in China, the United States and other countries, could have an adverse impact on global, national and local economies, which in turn could negatively impact fund clients. Disruptions to commercial activity relating to the imposition of quarantines or travel restrictions (or more generally, a failure of containment efforts) may adversely impact Fund investments, including by delaying or causing supply chain disruptions or by causing staffing shortages. In addition, the imposition of travel restrictions may impact the ability of the Adviser personnel to travel in connection with potential or existing investments of a Fund, which could negatively impact the ability of the Adviser to effectively identify, monitor, operate and dispose of investments. Finally, the outbreak of Coronavirus has contributed to, and may continue to contribute to, volatility in financial markets, including changes in interest rates. A continued outbreak may reduce the availability of financing to a Fund and potential purchasers of a Funds’ investments, which could have material and adverse impact on a Funds returns. The impact of a public health crisis such as the Coronavirus (or any future pandemic, epidemic or outbreak of a contagious disease) is difficult to predict, which

presents material uncertainty and risk with respect to a Funds performance.

Certain Risks Related to the Funds' Structure

No Ability to Liquidate an Investment in the Interests. An investment in the Funds is illiquid. The interests the Funds offered have not been registered under the securities laws of any jurisdiction and are subject to restrictions on transfer. Interests are not transferable except with the prior written consent of the Adviser, which will not be withheld unreasonably, though the Adviser, on behalf of the Fund, has the discretion to grant more favorable transfer rights in certain circumstances. There is no market for the interests in the Funds and none is expected to develop.

Reliance on Key Personnel. The investment operations of the Funds and the Adviser are substantially dependent upon the skill, judgment and expertise of Mr. Schachter and Mr. Winograd. The death, disability or other unavailability of Mr. Schachter and/or Mr. Winograd could be material and adverse to the Funds. Except with consent two-thirds in interest of the Limited Partners, the investment period will be deemed to end immediately upon notice given to the Limited Partners by the Adviser of the occurrence of a key person event.

Dilution from Additional Closings. Investors that subscribe as of a later closing date will participate in all existing investments of the Funds made prior to such later closing date, diluting the interest of existing investors therein. Although investors subscribing as of a later closing date will contribute their respective pro rata share of previously made capital contributions, there can be no assurance that this payment will reflect the fair value of the Funds' existing investments.

Capital Commitments May Not be Called. Capital commitments generally will be drawn down in the discretion of the Adviser and are payable as called by the Adviser. No assurance can be given that the Funds will be able to invest its committed capital fully. Capital that has been committed but not called will not participate in the profits and losses of the Funds, but will be subject to the Management Fee.

Co-investment Opportunities. In connection with any Fund investment, where the transaction requires or permits a larger investment than the Adviser deems appropriate for the Funds, the Adviser, if reasonably practical, may offer to certain Limited Partners an opportunity to co-invest with the Funds (a "Co-investment Opportunity").

The Adviser offers co-investment opportunities to Limited Partners and third parties in accordance with each Funds' governing documents. Further, the Adviser has adopted policies and procedures to determine the propriety of such transactions and to mitigate any potential conflicts of interest they present.

Consequences of Default. Once a Limited Partner commits to the Funds, its capital commitment may not be cancelled and must be paid to the Fund as called by the Adviser within the notice period, without exception. Failure to pay will result in such Limited Partner's default, which may result in the defaulting Limited Partner's forfeiture of its interest or other adverse consequences for such

defaulting Limited Partner as provided in the Funds' limited partnership agreements. Further, the failure of any Limited Partner to contribute capital contributions in response to capital calls may have serious adverse consequences on the Funds' abilities to complete their investment programs or otherwise to continue operations. A default by a substantial number of Limited Partners or by one or more Limited Partner who have made substantial capital commitments would limit opportunities for investment diversifications and likely would reduce returns to the Funds. In addition, if contributions made by non-defaulting Limited Partners and borrowings by the Funds are inadequate to cover the defaulted capital contribution, the Funds may be unable to pay their obligations when due. As a result, the Funds may be subjected to significant penalties that could materially adversely affect the returns to the Limited Partners (including non-defaulting Limited Partners).

Liability for Return of Distributions. If the Fund is otherwise unable to meet its obligations, the Adviser may require a Limited Partner or former Limited Partner to make additional capital contributions or payments up to, but in no event in excess of, 25% of the aggregate amount of capital and other amounts actually received by such Limited Partner or former Limited Partner from the Fund. In addition, a Limited Partner may be liable under applicable federal and state bankruptcy or insolvency laws to return a distribution made during the Fund's insolvency.

Limited Partners Will Not Participate in Management. A Limited Partner has no right to participate in the management of the Adviser or in the conduct of its business. There exists broad discretion to expand, revise or contract the Funds' business without the consent of the Limited Partners. Any decision to engage in a new activity could result in the exposure of the Funds' capital to additional risks which may be substantial.

Charges to the Funds. The Funds are obligated to pay certain fees and expenses, including the Management Fee and other costs and expenses associated with the acquisition and disposition of investments, and operating costs and expenses, irrespective of profitability. There can be no assurance that the Funds will be able to earn sufficient income to offset these charges.

Compulsory Withdrawal of a Limited Partner's Interest. Any Limited Partner may be required by the Adviser to withdraw all or a portion of its interest in the Funds as well as withdraw as a Limited Partner of the Funds immediately with no prior notice if the participation of such Limited Partner would likely, in the sole determination of the Adviser, materially adversely affect the Funds or any of the other Limited Partners.

Possible Indemnification Obligations. The Funds are generally obligated to indemnify the Adviser, their delegates, certain service providers and possibly other parties under the various agreements entered into with such persons against any liability they or their respective affiliates may incur in connection with their relationship with the Funds.

Lack of Independent Experts Representing Investors. The Management Fee and Incentive Fee have not been negotiated at arm's length. Further, while the Adviser has consulted with counsel, accountants and other experts regarding the structure and terms of the Funds, such counsel does not represent the Funds or the Limited Partners. The Adviser has certain limited reporting obligations to Limited Partners, but may grant further information to certain such Limited Partners in appropriate circumstances. The Adviser urges each prospective investor to consult its own legal, tax and financial advisers regarding the desirability of purchasing an interest and the suitability of an investment in the Funds.

Divergence from the Existing Funds and the Establishment of New Funds. On behalf of the Funds, the Adviser may take advantage of investment opportunities in which one or all the Funds are not permitted to participate (or in which a Fund may only invest through another vehicle or other structure). Accordingly, the returns for each Fund may differ

Tax Risk Factors. The Funds carry certain tax risks associated with the jurisdiction within which they operate or in which they acquire assets. Potential investors are strongly urged to review the discussion under "Certain Tax Considerations" in the Funds' Private Placement Memoranda and to consult their own tax advisors.

For a more complete discussion of risks, please refer to the Funds' private placement memoranda.

Item 9 - Disciplinary Information

There are no disciplinary disclosures to report.

Item 10 - Other Financial Industry Activities and Affiliations

The Adviser has no other financial industry activities or affiliations that are required to be disclosed.

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

The Adviser has a fiduciary responsibility to treat Clients fairly and avoid actual or potential conflicts of interest. The employees of the Adviser have an obligation to act solely in the best interests of Clients, and to make full and fair disclosure of all material facts, particularly where the Clients' interests may conflict with the interests of the Adviser or its employees.

Code of Ethics

The Adviser has adopted a Code of Ethics which describes the general standards of conduct that the Adviser expects of all employees and focuses on three specific areas where employee conduct has the potential to adversely affect the Clients: misuse of confidential information, personal securities trading and outside business activities. Failure to uphold the Code of Ethics may result

in disciplinary sanctions, including termination of an employee by the Adviser. Any Client or prospective Client may request a copy of the Adviser's Code of Ethics.

Misuse of Nonpublic Information

The Code of Ethics contains a policy against the use of nonpublic information in conducting business for the Adviser. Also, employees may not convey nonpublic information nor depend upon it in placing personal securities trades.

Participation or Interest in Client Transactions

The Adviser may, to the extent permitted under applicable law, effect client cross- transactions where the Adviser causes a transaction to be effected between the Fund and another account advised by it or any of its affiliates. Each Limited Partner shall acknowledge and agree to such authorization in the Funds' subscription agreement. The subscription agreement of each Limited Partner provides that each Limited Partner consents and agrees that if any transaction, including any transaction effected between the Funds and the Adviser or its affiliates, is subject to the disclosure and consent requirements of Section 206(3) of the Advisers Act, such requirements will be satisfied with respect to the Funds and all investors if disclosure is given to, and consent obtained from, the advisory committee or such other independent representative of the Funds appointed by the advisory committee with consent of the Adviser. The Adviser may also engage an independent representative to satisfy the disclosure and consent requirements of Section 206(3) of the Advisers Act with respect to transactions entered into by the Funds.

Personal Securities Trading

The Adviser has adopted personal trading policies and procedures to prevent conflicts of interest with its Clients. The Adviser maintains a restricted list of securities that the Adviser and its employees may not trade in order to avoid the misuse of material non-public information or confidential Client information. The Adviser's Chief Compliance Officer, Mandy Norris, periodically reviews the personal accounts of the Adviser's employees for compliance with these policies and procedures. Also, the Adviser's Principals shall invest in the Funds to align their interest with their Clients.

Outside Business Activities

The Adviser's Chief Compliance Officer must pre-approve all outside activities conducted by an Adviser employee. If any activities are deemed to be in conflict with the Adviser's Clients, such conflicts will be fully disclosed.

Item 12 - Brokerage Practices

In General

Most of the investment activity in the Funds and other Client accounts will not require the involvement of a broker-dealer. In the event that the Adviser's investment activity does involve a broker-dealer, the Adviser will seek to obtain best execution for its Clients by taking into account the following factors: the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); the operational efficiency with which transactions are effected, taking into account the size of order and difficulty of execution; the financial strength, integrity and stability of the broker; the Funds' risk in positioning a block of securities; the quality, comprehensiveness and frequency of available research services considered to be of value; and the competitiveness of commission rates in comparison with other brokers satisfying the Clients' other selection criteria.

Research and Soft Dollar Benefits

In the event that the Adviser's investment activity does involve a broker-dealer, the Adviser is authorized by the Funds to pay higher prices for the purchase of securities from or accept lower prices for the sale of securities to brokerage firms that provide it with such investment and research information or to pay higher commissions to such firms if the Adviser determines such prices or commissions are reasonable in relation to the overall services provided. Research services furnished by brokers may include written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; statistics and pricing or appraisal services; discussions with research personnel; and invitations to attend conferences or meetings with management or industry consultants. The Adviser is not required to weigh any of these factors equally. Information so received is in addition to and not in lieu of services required to be performed by the Adviser, and the Adviser's fee is not reduced as a consequence of the receipt of such supplemental research information. Research services provided by broker-dealers used by the Clients may be utilized by the Adviser or its affiliates in connection with its investment services for other accounts and, likewise, research services provided by broker-dealers used for transactions of other accounts may be utilized by the Adviser in performing its services for the Clients. Since commission rates in the United States are negotiable, selecting brokers on the basis of considerations which are not limited to applicable commission rates may at times result in higher transaction costs than would otherwise be obtainable.

In the event that the Adviser's investment activity does involve a broker-dealer, the Adviser has determined to stay within the so-called 28(e) safe harbor for soft dollars. However, the availability of these benefits may influence the Adviser to select one broker rather than another to perform services for the Funds. Nevertheless, the Adviser will attempt to assure either that the fees and costs for services provided to the Funds by brokers offering these benefits are not materially greater than they would be if the services were performed by equally capable brokers not offering such services

or that the Funds also, will benefit from the services.

Item 13 - Review of Accounts

The Adviser periodically reviews account for risk, performance, and suitability on at least a monthly basis, and provides the Funds' Limited Partners with quarterly unaudited performance information and annual financial statements audited in accordance with generally accepted accounting principles as in effect on the date thereof, consistently applied under the accrual basis of accounting ("GAAP").

Item 14 - Client Referrals and Other Compensation

The Adviser has and may enter into agreements with certain placement agents that provide for compensation to be paid to the placement agents for referring limited partners to the Funds. All fees paid to placement agents are borne by the Adviser, and no deduction will be made from an investor's subscription amount in the Fund with respect to such fees without the prior consent of such investor. In such cases, details of the arrangement will be provided to the limited partner. All such arrangements will be in accordance with all applicable laws and regulations, including Rule 206(4)-3 of the Advisers Act.

Item 15 - Custody

Related parties to the Adviser are deemed to have custody of the Funds' funds through the ability to authorize movement of cash in relation to advisory services provided. The Adviser satisfies its custody obligations by ensuring that the Funds are audited as required by the Advisers Act, and that investors in the Funds receive the financial statements resulting from such audits as required.

Item 16 - Investment Discretion

The Adviser has investment discretion for the Funds. The Funds' partnership documents typically provide the Adviser with the ability to select securities to be bought and sold and to determine the amount of the transactions. The Adviser exercises its discretion in a manner consistent with the Funds' investment goals and objectives. The Adviser also provides non-discretionary sub-advisory investment management services to an SEC registered investment adviser.

Item 17 - Voting Client Securities

It is the policy of the Adviser to vote all proxies with respect to proposals submitted for approval by shareholders of companies whose shares are held in Client portfolios and to do so in the best interest of that Client. The Adviser's written proxy voting policies and procedures, and history of votes are available for review by existing Clients upon request.

Item 18 - Financial Information

There is no financial condition that is reasonably likely to impair Adviser's ability to continue to meet its contractual commitments and provide services to its Clients.