

**SEC Form ADV Part 2A
“Brochure”**

**GREAT POINT PARTNERS, LLC
March 31, 2021**

165 Mason Street, 3rd Fl. Greenwich, CT 06830
Telephone: (203) 971-3300 Fax: (203) 971-2230
www.gppfunds.com

This Brochure provides information about the qualifications and business practices of Great Point Partners, LLC ("Great Point"). If you have questions about the contents of this Brochure, please contact our Chief Compliance Officer, Ron Panzier, by telephone at (203) 971-3300 or rpanzier@gppfunds.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.

Additional information about Great Point Partners, LLC is also available on the SEC’s website at www.adviserinfo.sec.gov.

We are a registered investment adviser under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Our registration under the Advisers Act does not imply any level of skill or training.

BROCHURE DISCLOSURE

In no event should this brochure be considered to be an offer of interests in any of Great Point's private funds or relied on in determining whether to invest in any private fund. It is also not an offer of, or agreement to provide, advisory services directly to any recipient of the Brochure.

ITEM 2 – MATERIAL CHANGES

Great Point filed its most recent Form ADV Part 2A annual amendment in October 2020. There have been no material changes in Great Point's advisory business since the last update. The following changes have been made to this Brochure since the date of its last annual amendment.

Items 4 (Advisory Business), 5 (Fees and Expenses), 7 (Types of Clients), 8 (Methods of Analysis, Investment Strategies and Risk of Loss), and 13 (Review of Accounts) have been updated to reflect the discontinuation of a managed account.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss has been updated to enhance disclosure regarding:

- certain risks associated with investing in Great Point's Funds;
- potential conflicts of interest arising from Great Point's relationships with certain third-party service providers; side letter arrangements; allocation of co-investment opportunities; expenses incurred by multiple Clients; and cross trade transactions.

ITEM 3 – TABLE OF CONTENTS

Item 1 – Cover Page.....	1
Item 2 – Material Changes	2
Item 3 – Table of Contents.....	3
Item 4 – Advisory Business	4
Item 5 – Fees and Compensation	7
Item 6 – Performance-Based Fees and Side-By-Side Management	9
Item 7 – Types of Clients.....	11
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	12
Item 9 – Disciplinary Information	28
Item 10 – Other Financial Industry Activities and Affiliations	29
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	30
Item 12 – Brokerage Practices	31
Item 13 – Review of Accounts.....	33
Item 14 – Client Referrals and Other Compensation.....	34
Item 15 – Custody	35
Item 16 – Investment Discretion.....	36
Item 17 – Voting Client Securities.....	37
Item 18 – Financial Information	38

ITEM 4 – ADVISORY BUSINESS

Great Point Partners, LLC (“Great Point”¹), a registered investment adviser, is a Delaware limited liability company. Great Point was founded in 2003 in Greenwich, Connecticut. Great Point provides discretionary investment management services to pooled investment vehicles, including hedge funds and private equity funds. Great Point is owned by four individuals: Dr. Jeffrey R. Jay (“Dr. Jay”), Senior Managing Member, Mr. David E. Kroin (“Mr. Kroin”), Adam Dolder (“Mr. Dolder”), and Ortav Yehudai (“Mr. Yehudai”). Mr. Dolder and Mr. Yehudai focus their attention on the private equity funds and hedge funds, respectively. Mr. Kroin has resigned from employment at Great Point but will retain an economic interest in Great Point for a certain amount of time.

The Hedge Funds

Biomedical Value Fund, L.P. (“BMVF”) and Biomedical Offshore Value Fund, Ltd. (“BMOVf”, and, together with BMVF, the “Hedge Funds”) are hedge funds formed with the goal of capturing the long term value created by biotechnology, medical devices/diagnostics and health care information technology companies. The Hedge Funds invest principally in publicly traded biotechnology, pharmaceutical and life sciences companies mainly in the U.S., Canada and the U.K. by purchasing and selling securities in the open market, in privately negotiated financings, in restructurings and in directly negotiated investments (“DNIs”). The Hedge Funds are required to be managed in accordance with the Hedge Funds’ respective Governing Documents (as defined below).

The Private Equity Funds

Great Point has formed various funds to invest in recapitalizations and growth buy-outs of growing health care companies in the lower middle market. These funds currently consist of the following:

- Great Point Partners I, L.P. (“GPP I”)
- Great Point Partners II, L.P. (“GPP II”), Great Point Partners II-A, L.P., a fund investing in parallel with GPP II (“GPP II-A”), and GPP II Offshore Feeder, L.P., a feeder fund to GPP II (“GPP II-Offshore”, and, together with GPP II and GPP II-A, “Fund II”)
- Great Point Partners III, L.P. (“GPP III”), and Great Point Partners III-A, L.P., a fund investing in parallel with GPP III (“GPP III-A”, and, together with GPP III, “Fund III”)

The Co-Investment Vehicles

The following entities were formed in connection with co-investments or other transactions: GPP II – Corrona, LLC; GPP II – Salmon Co-Invest, L.P.; GPP II – ABR, LLC; GPP II – UCS, LLC; GPP II – MDRS Holdings, LLC; GPP II – Steripack, LLC; GPP III – Axiom, LLC; GPP III – Bionova, LLC; GPP III – Tergus, LLC; and GPP III – MLM, LLC (collectively, the “Co - Invest Funds”).

Great Point Partners I GP, LLC, Great Point Partners II GP, LLC, and Great Point Partners III GP,

¹ Throughout this Brochure, the term “Great Point” is used to refer collectively to Great Point Partners, LLC and its affiliated General Partners, as described below.

LLC (collectively, the “General Partners”) are entities affiliated with Great Point Partners, LLC that serve as general partners to GPP I, Fund II and Fund III, respectively. Each General Partner has designated Great Point as the investment manager for each of the Private Equity Funds and the Public Equity Clients. This Brochure also describes the business practices of each General Partner which together operate as a single advisory business together with Great Point Partners, LLC.

From time to time herein, the Hedge Funds and Private Equity Funds are referred to individually or collectively as a “Fund” or the “Funds,” and the Public Equity Clients and Private Equity Funds are referred to individually or collectively as a “Client” or “Clients.”

The Medical Advisory Board

Great Point also retains a group of medical advisors (the “Medical Advisory Board”) as consultants who serve as a continuous source of expertise and contacts in the health care industry for the Hedge Funds, and help Great Point with answers to due diligence questions on investment ideas. The Medical Advisory Board meets collectively, on an annual basis, with Great Point’s investment professionals.

The CEO Advisory Board

Great Point also retains a group of accomplished senior executives (the “CEO Advisory Board”) as consultants who provide assistance to the Private Equity Funds to help conduct due diligence on investment ideas, and serve as Board members of portfolio companies of Private Equity Clients. The CEO Advisory Board meets collectively, on an annual basis, with Great Point’s investment professionals. More information on the CEO Advisory Board is contained below.

Availability of Tailored Services

Great Point does not tailor its advisory services to the specific investment objectives of the investors of the Funds. Instead, Great Point exercises its investment discretion pursuant to the investment guidelines and restrictions set forth in the relevant private placement memorandum or other offering document (each, an “Offering Document”) and /or limited partnership agreement or other investment management agreement (each, an “Investment Management Agreement” and together with the Offering Documents, the “Governing Documents”) for each respective Fund. With respect to the Managed Account Client, Great Point will follow specific mandates for investing the Managed Account assets, set forth in Investment Management Agreements between Great Point and each Managed Account Client.

Investors and prospective investors in Great Point’s Funds should refer to the Governing Documents of the applicable Fund for information on the investment objectives, investment restrictions and risks associated with each fund. Since Great Point does not provide individualized advice to investors, investors should consider whether the respective Funds meet their investment objectives and risk tolerance prior to investing. Investors in a Fund participate in the overall investment program for such Fund but may be excused from a particular investment due to legal, regulatory or other agreed-upon circumstances pursuant to the relevant Governing Documents. The Funds or the General Partners enter

and have entered into side letters or other similar agreements with certain investors that have the effect of establishing rights (including economic or other terms) under, or altering or supplementing the terms of, the relevant Governing Documents with respect to such investors.

Additionally, from time to time, Great Point provides (or agrees to provide) limited partners of the Funds as well as certain third party investors or other persons, including Great Point's principals, personnel and certain other persons associated with Great Point (to the extent not prohibited by the applicable Governing Documents), the opportunity to participate in single investment co-invest vehicles that will invest in certain portfolio companies alongside a Fund. Such co-investments involve investment and disposal of interests in the applicable portfolio company.

GPP I and Fund II are not making investments in new portfolio companies as the investment period provided for in the respective Governing Documents applicable to such Funds has ended.

Wrap Fee Program

Great Point does not participate in any wrap fee programs.

Client Assets Under Management

As of December 31, 2020, Great Point had approximately \$2,235,882,151 of Regulatory Assets Under Management, all of which is managed on a discretionary basis.

ITEM 5 – FEES AND COMPENSATION

The Hedge Funds

Great Point generally receives an annual management fee of 2% of the net assets of each Hedge Fund, generally payable in monthly installments in advance based on the Hedge Fund's net assets on the first day of each month. The fee is deducted from the Hedge Funds' assets.

Great Point generally is entitled to a 20% performance allocation based on capital appreciation of the BMVF assets, including unrealized appreciation, after deduction of expenses and subject to exceeding the previous high-water mark. Great Point generally is entitled to a 20% performance fee based on capital appreciation of the BMOV assets, including unrealized appreciation, after deduction of expenses and subject to exceeding the previous high-water mark.

In addition to the management and performance allocations/fees, the Hedge Funds incur fees and expenses such as investment expenses (e.g., brokerage commissions, research expenses, clearing and settlement charges, custodial fees, initial and variation margin, interest expense, consulting and other professional fees relating to due diligence of particular investments and travel expenses incurred in connection with due diligence), annual meeting expenses, legal expenses, insurance and indemnity expenses, audit and tax preparation expenses, organizational expenses, expenses relating to the offer and sale of interests in the funds and extraordinary expenses. Specific information regarding the management fees, performance allocations/fees and expenses for the Hedge Funds can be found in each such Hedge Fund's Governing Documents.

The Private Equity Funds

Great Point generally earns an annual management fee of 2% of capital commitments or invested capital (depending on where the fund is in its life cycle) payable quarterly in advance by each Private Equity Fund. The fee is generally deducted from such Private Equity Fund's assets.

Great Point may be entitled to a 20% performance-based allocation based on capital appreciation of each Private Equity Fund's assets. This performance-based allocation is contingent upon satisfying a preferred return in Fund II and Fund III.

In addition to the management and performance-based allocations, the Private Equity Funds incur organizational expenses (subject to a cap), research, legal, auditing and accounting fees and expenses, as well as custodial fees, insurance and indemnity expenses, taxes, commissions, brokerage fees and registration expenses. Specific information regarding the management fees, performance allocations and expenses for the Private Equity Funds can be found in each such Private Equity Fund's Governing Documents.

A percentage of certain fees received by Great Point or its affiliates, including transaction fees, break-up fees, monitoring fees, and director's fees, offset management fees otherwise payable by investors

in a Private Equity Fund in the Governing Documents of such Private Equity Fund.

A General Partner of a Private Equity Fund may permit certain investors to co-invest in portfolio companies alongside one or more Private Equity Funds. If a co-invest vehicle is formed, such entity will bear the pro-rata expenses related to an investment made by the relevant Private Equity Funds. In the event that a transaction in which a co-investment was expected, including a transaction for which a co-investment was believed necessary in order to consummate such transaction, ultimately is not consummated, all expenses relating to such unconsummated transaction will be borne by the relevant Private Equity Fund(s) and not by any prospective co-investors.

The Governing Documents of the Private Equity Funds and subject to a Management Services Agreement with portfolio companies generally permit expenses and costs incurred by Great Point in connection with the Funds investment to be reimbursed by portfolio companies. Such amounts include amounts paid to certain consultants and service providers detailed herein. As such, the relevant Funds bear such amounts indirectly.

Great Point and/or its affiliates negotiate with portfolio companies to perform services resulting in transaction fees, monitoring fees or other compensation to a portfolio company. As discussed in the section entitled “Conflicts of Interest” in Item 8 below, the receipt of such compensation gives rise to potential conflicts of interest between the Private Equity Funds and their investors, on the one hand, and Great Point and/or its affiliates on the other hand, because these fees reduce the capital of each Private Equity Funds’ portfolio companies. Great Point believes that such conflict of interest is reduced because of the services performed and a portion of such fees offset management fees otherwise owed by such investors. Also, the senior management of the portfolio companies are generally also invested in such portfolio companies and, therefore, have an incentive to appropriately manage such fees.

Certain Private Equity Funds, in accordance with their applicable limited partnership agreements, use credit facilities in order to make investments prior to issuing capital calls and receiving capital contributions from investors. The use of credit has the effect of amplifying the gains or losses of a particular Private Equity Fund. General Partners have an incentive for their Private Equity Funds to use credit in order to accelerate how quickly the preferred return is achieved, thereby allowing a General Partner to potentially receive its performance-based allocation (described above) earlier than it would absent the use of such credit facility. This conflict of interest is mitigated because Great Point in agreement with its credit facility lenders limit both the amount of capital that can be borrowed and the amount of time capital can be borrowed.

Co-Invest Funds

The Co-Invest Funds generally do not pay a management fee or performance-based allocation. Portfolio companies held by the Co-Invest Funds typically pay monitoring and/or transaction fees to entities affiliated with Great Point in connection with Co-Invest Funds. Co-Invest Funds incur auditing and accounting fees and expenses. Specific information regarding the management fees,

performance allocations and expenses for the Co-Invest Funds can be found in each such Co-Invest Fund's Governing Documents.

Other Information

Great Point commonly pays expenses common to multiple Clients and thus advances such amounts and receives reimbursement from the Clients to which such expenses relate.

Great Point exempts certain investors in the Funds from payment of all or a portion of management fees and/or performance allocations. For example, in instances where a Great Point professional or its affiliate invests in a Fund, such professional or its affiliate generally will be exempt from payment of the management fee and carried interest with respect to such Fund. Additionally, to the extent permitted by the relevant Governing Documents, certain General Partners have the right to permit investors, affiliated with a General Partner, to invest through the relevant General Partner or other vehicles that do not bear management fees or performance allocations.

Principals or other current or former employees (who have a vested compensation agreement) of Great Point receive a portion of the performance-based allocation or other compensation, as applicable, received by the relevant Great Point entity. Additionally, certain members of the CEO Advisory Board provide services to (or with respect to) certain Private Equity Funds or portfolio companies in which one or more of the Private Equity Funds invest. In connection with such services, such CEO Advisory Board members or other personnel receive fees and other compensation from such Private Equity Funds or portfolio companies, and such fees or compensation do not offset the management fee. As a result, investors in such Private Equity Funds bear the cost for such services directly or indirectly.

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

As referenced in Item 5 above, Great Point generally receives performance-based allocations and fees from Clients (other than the Co-Invest Funds). This is compensation based on a share of capital gains on, or capital appreciation of, the assets of the Funds or the Managed Accounts. The nature of these fees is described in more detail in the applicable Governing Documents for each Client. Performance-based compensation arrangements create an incentive for Great Point to make more speculative investments or increase Great Point's focus on short-term profits rather than focusing on long-term capital appreciation. This could expose the portfolios to additional levels of risk than would be the case if such arrangements were not in effect. Because the performance-based compensation arrangements create conflicts of interest between Great Point and its Clients, Great Point has adopted a code of ethics that serves to address those conflicts and enforce a standard of conduct for its employees. Please see Item 11 below for a discussion of Great Point's code of ethics.

In addition, managing entities that are charged no or a lower-performance-based fee presents a conflict of interest because Great Point has an incentive to favor Clients for which it receives the highest performance-based compensation. Great Point has also addressed this conflict of interest by

maintaining an investment allocations / co-investment policy designed to assist Great Point to allocate investment opportunities among its Clients consistent with Great Point's fiduciary obligations to, and underlying Governing Documents (if applicable) for, the relevant Client(s) (which, in some cases, include provisions requiring that allocations be made in a particular manner).

ITEM 7 – TYPES OF CLIENTS

Great Point provides advisory services to private funds that are considered hedge funds or private equity funds. The investors participating in the Funds generally include individuals, banks or thrift institutions, other investment entities, university endowments, sovereign wealth funds, family offices, pension or profit-sharing plans, trusts, estates, or charitable organizations or other corporations or business entities, and include, directly or indirectly, principals or other employees of Great Point and its affiliates and members of their families, as well as service providers or other relationships retained by Great Point including members of the CEO Advisory Board. Great Point does not provide investment advice directly to investors in the Funds on an individual basis. The Hedge Funds and the Private Equity Funds generally require a minimum initial subscription from investors and require them to meet suitability requirements. Great Point may waive minimum account sizes in its sole discretion.

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

Methods of Analysis and Investment Strategies

The Hedge Funds

Each Hedge Fund's investment objective is to achieve positive excess returns by investing in publicly traded biotechnology, pharmaceutical and life science companies. Great Point believes that by creating a balanced portfolio composed primarily of companies that are undervalued by the public markets, above-average investment returns can be realized.

The Hedge Funds pursue a bottom-up research-driven approach to investing in the securities of undervalued, publicly traded health care companies. Securities are purchased and sold in the open market and are also acquired through DNIs many of which are proactively originated by Great Point's investment professionals. Small and mid-cap stocks comprise the majority of the Hedge Funds' long exposure.

In addition to making long investments, the Hedge Funds also endeavor to profit from shorting stocks where Great Point has identified a clear catalyst, including situations in which regulatory approval for a product is unlikely, a new drug or medical device is expected to fail commercially in the marketplace, or company management is not expected to meet the goals they have communicated to investors.

Great Point relies principally upon our own financial models and analysis to make investment decisions. Great Point utilizes third party research as a reference point among a series of data points.

The Private Equity Funds

The Private Equity Funds continue Great Point's focused investment strategy of seeking to find and create investment opportunities in private, primarily profitable, lower middle market, growing health care companies before the opportunity has been identified by others and often before the companies have made a decision to complete a financing.

The objective of Great Point's investment policy in GPP I, GPP II (which includes GPP II-A and GPP II Offshore), GPP III and GPP III-A is to achieve positive excess returns while attempting to minimize risk to limited partners.

Great Point generates the majority of its investment opportunities through cold calling and established contacts across the country. These contacts include its CEO Advisory Board, entrepreneurs, business brokers, Great Point Clients, accountants, lawyers, and consultants. Great Point also expects that top executives of companies it has previously backed will continue to assist in originating and evaluating investment opportunities.

Great Point conducts its own primary investment research and, to this end, devotes a significant amount of time visiting companies directly. Great Point evaluates a potential investment by examining three critical areas: management, market and product. Great Point's investment philosophy relies on these fundamental elements of a successful business, not on financial engineering. Before an investment is made, Great Point, with assistance from its team of industry contacts, studies the opportunity and conducts due diligence, including management reference checks, product analyses, regulatory and legal reviews, and rigorous financial and market analyses. Great Point contacts industry experts and utilizes paid consultants. Through this in-depth analysis of investment opportunities, Great Point believes it can maintain a high-quality portfolio and mitigate risk.

These strategies and investments involve risk of loss and Clients (and investors) must be prepared to bear the loss of their entire investment.

Material Risks

General

Importance of Dr. Jay and Mr. Yehudai

The Public Equity Funds success depends in substantial part upon the skill and expertise of Dr. Jay, Mr. Yehudai and the other individuals employed to assist them.

Cybersecurity

Investment advisers, including Great Point, must rely in part on digital and network technologies ("cyber networks") to maintain substantial computerized data about activities for client accounts and otherwise conduct their businesses. Such cyber networks might in some circumstances be subject to a variety of possible cybersecurity incidents or similar events that could potentially result in the inadvertent disclosure of confidential computerized data or client data to unintended parties, or the intentional misappropriation or destruction of data by malicious hackers seeking to compromise sensitive information, corrupt data, or cause operational disruption. Cyber-attacks might potentially be carried out by persons using techniques that could range from efforts to electronically circumvent network security or overwhelm websites to intelligence gathering and social engineering functions aimed at obtaining information necessary to gain access. Great Point maintains policies and procedures on information technology security, it has certain technical and physical safeguards intended to protect the confidentiality of its internal data, and takes other reasonable precautions to limit the potential for cybersecurity incidents, and to protect data from inadvertent disclosure or wrongful misappropriation or destruction. Nevertheless, despite reasonable precautions, the risk remains that cybersecurity incidents could potentially occur, and such incidents, in some circumstances, might result in unauthorized access to sensitive information about Great Point, the Funds or their investors, and/or cause damage to client accounts or Great Point's activities for the Funds or their investors. In addition, the portfolio companies held by the Funds may also be the target of a cybersecurity incident or similar event that could potentially result in the inadvertent disclosure of confidential computerized data or client data to unintended parties, or the intentional misappropriation or destruction of data by malicious

hackers seeking to compromise sensitive information, corrupt data, or cause operational disruption. A cybersecurity incident at a portfolio company may cause financial harm and lead to a loss in value for the Funds and their investors.

Dynamic Investment Strategy

While Great Point generally seeks attractive returns for a Fund through the investment strategy and methods described herein, Great Point may pursue additional investment strategies and may modify or depart from its initial investment strategy, investment process or investment techniques to the extent it determines such modification or departure to be appropriate and consistent with the relevant Governing Documents and investment restrictions of the relevant Client.

Uncertain Economic, Social and Political Environment

Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of a Fund and its portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This may slow the rate of future investments by such Fund and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn may have an adverse effect upon such Fund's portfolio companies.

Acts of God and Geopolitical Risks

The performance of Great Point's Clients could be impacted by Acts of God or other unforeseen and/or uncontrollable events (collectively, "disruptions"), including, but not limited to, natural disasters, public health emergencies (including any outbreak or threat of COVID-19, SARS, H1N1/09 flu, avian flu, other coronavirus, ebola, or other existing or new pandemic or epidemic diseases), terrorism, social and political discord, geopolitical events, national and international political circumstances, and other unforeseen and/or uncontrollable events with widespread impact. These disruptions may affect the level and volatility of security prices and liquidity of any investments. There is risk that unexpected volatility or lack of liquidity will impair an investment's profitability or result in its suffering losses. Economies and financial markets throughout the world are becoming increasingly interconnected, which increases the likelihood that events or conditions in one country or region will adversely impact markets or securities industry participants in other countries or regions.

The extent of the impact of any such disruption on Great Point, its Clients, and any underlying portfolio company's operational and financial performance will depend on many factors, including the duration

and scope of such disruption, the extent of any related travel advisories and restrictions implemented, the impact of such disruption on overall supply and demand, goods and services, investor liquidity, consumer confidence and levels of economic activity and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. A disruption may materially and adversely impact the value and performance of any investment, Great Point's ability to source, manage and divest investments, and Great Point's ability to achieve its Clients' investment objectives, ultimately resulting in significant losses to Clients and investors. In addition, there is a risk that a disruption will significantly impact the operations of the Great Point, its Clients, and their underlying portfolio companies, or even temporarily or permanently halt their operations.

Climate Change

Climate change presents risks to the operations of Great Point's portfolio companies, including the potential for additional regulatory requirements and associated costs, and the potential for more frequent and severe weather events and other challenges that may impact their facilities and those of their suppliers and customers.

Healthcare Reform

Any significant efforts in the United States at the federal or state levels to reform the healthcare system by changing the way healthcare is provided or funded could have a material impact on Great Point's portfolio companies and/or their customers or suppliers. This includes potential replacements for the Affordable Care Act as well as efforts at the state level to develop additional public insurance options or implement a single payer healthcare system. Efforts by states and the federal government to regulate prices or payment for pharmaceutical products could adversely affect the business of Great Point's portfolio companies and/or their customers or suppliers if implemented.

Non-U.S. Securities

From time to time, Funds invest capital in foreign securities, foreign currencies, and securities issued by U.S. entities with substantial foreign operations. Such investments involve additional risks relating to political, economic, or regulatory conditions in foreign countries, such as currency exchange fluctuations, lack of adequate information, alternative accounting or auditing standards and varying taxation policies.

The Hedge Funds

Great Point's philosophy is to assess and manage risk across all areas of the business. Nevertheless, the strategies the Hedge Funds employ entail a substantial degree of risk, and the Hedge Funds may lose all or a substantial portion of their investments. Consequently, investors bear the risk of loss that the Hedge Funds' investments entail. Please see the Offering Documents specific to each Hedge Fund for a more detailed discussion of risks. Following is a summary of the material risks presented by the Hedge Funds' investment strategies.

Sector Risk

Since the Hedge Funds' portfolios are concentrated in the biotechnology, specialty pharmaceutical, medical technology and medical diagnostics sectors and may concentrate their assets in a relatively small number of positions, they will be less diversified than funds investing in a broader range of industries and a greater number of companies and therefore the Hedge Funds may be susceptible to greater volatility than other funds.

Small and Mid-Cap Stocks

The Hedge Funds invest primarily in the securities of smaller-to-medium sized companies of a less-seasoned nature whose securities are occasionally traded in the over-the-counter market. Prices of small capitalization stocks are often more volatile than prices of large- capitalization stocks.

Investments in Undervalued Securities

The identification of investment opportunities in undervalued securities is a difficult task, and there is no assurance that such opportunities will be successfully recognized or acquired.

Liquidity of Investments

The Hedge Funds may invest in securities that are subject to legal or other restrictions on transfer or for which no liquid market exists; this includes privately issued securities of public companies, securities that lack a readily ascertainable market value or otherwise lack sufficient liquidity, or securities that should be held until the resolution of a special event or circumstance.

Leverage and Financing Risk

The Hedge Funds at times modestly leverage their capital because the use of leverage may enable the Hedge Funds to achieve a higher rate of return. While leverage presents opportunities for increasing the Funds' total return, it has the effect of potentially increasing losses as well.

Short Selling

The Hedge Funds investment program includes short selling. Short selling involves selling securities that are not owned and therefore must be borrowed in order to make delivery to the purchaser, with an obligation to replace the borrowed securities at a later date and bear potential unlimited market risk. While the Funds enter into such transactions to seek profits and to reduce the risk of the portfolio as a whole, such transactions may result in a poorer overall performance for the Hedge Funds than if they had not engaged in such transactions.

Certain Derivative Securities

The Public Equity Clients purchase and sell ("write") options on securities. The complexity of option strategies can cause significant risk to the portfolio including the theoretical possibility of unlimited losses or default by derivative counterparties.

Warrants

The Hedge Funds engage in the trading of warrants. Risk arises from changes in market values of the underlying instruments. Warrants that the Hedge Funds acquire commonly contain restrictions on exercise based on Great Point's aggregate ownership. These warrants may be exercised over time and the underlying securities could then be sold. If the ability to exercise were disrupted, the Hedge Funds may not be able to receive the full value of the securities underlying the warrants

Loans of Portfolio Securities

The Public Equity Clients from time to time earn interest by lending portfolio securities to its prime broker. High quality collateral is received in exchange. To the extent that the value of the securities the Funds lent has increased, the Funds could experience a loss if such securities are not returned by the borrower.

Great Point Provides Investment Advisory Services to other Clients

Although the principals of Great Point intend to devote a portion of their time and attention to the management of the Hedge Funds, they are also responsible for managing and advising the Private Equity Funds. The Private Equity Funds are also engaged in the health care industry and at times are engaged in the same or similar sub-industries within that sector in which the Hedge Funds invest, and activities of the Private Equity Funds at times restrict or otherwise negatively impact the activities of the Public Equity Clients. Great Point believes that this conflict is mitigated because the Public Equity Clients and the Private Equity Funds generally invest in different sub-sectors within the health care industry, do not plan to invest in the securities of an issuer in which another Client, including Private Equity Clients, are invested, and Great Point devotes dedicated personnel to the Public Equity Clients.

Material Non-Public Information

Great Point and its affiliates come into possession, from time to time, of material non-public information about certain companies, which if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, Great Point and its affiliates would be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a client of Great Point. Great Point will have no responsibility or liability for failing to disclose such information to clients. Similar restrictions will be applicable as a result of Great Point personnel serving as directors of public companies and may restrict trading on behalf of clients, including the Hedge Funds.

Indemnification

The Hedge Funds are required to indemnify Great Point and Great Point's respective officers, directors, agents, stockholders, members, partners, employees and affiliates against losses, liabilities, damages and expenses incurred in connection with the affairs of the Hedge Funds.

Health Care Companies

Investments in the securities of life sciences, biotechnology, diagnostic and other health care related

companies or in related assets involve a high degree of business, financial, technological and regulatory risk which can result in substantial losses. Some of these risks relate to the underlying biotechnology assets themselves, and others to the companies that manufacture or market these products, their distribution, competition and in some cases partners in manufacturing or distribution. These risks include, but are not limited to, the following:

- (i) certain companies that manufacture and/or market the products may have limited operating histories, making it difficult to assess the potential effectiveness of a company's management, and thus the likelihood of the products' commercial success;
- (ii) certain companies may not have sufficient management or marketing personnel with appropriate scientific or medical training in order to adequately produce or market these products, which may slow or impede the revenue stream generated by the product;
- (iii) the prices at which these securities in the company or its related assets will be acquired by a Fund will often be based, in part, on sales projections with respect to the underlying biotechnology products, which projections may prove to be inaccurate;
- (iv) outcomes of clinical trials contrary to the investing thesis of Great Point;
- (v) approval or lack thereof by a governmental agency for a product contrary to the investing thesis of Great Point;
- (vi) commercial success or lack thereof of a product contrary to the investing thesis of Great Point; and
- (vii) government policies and regulations applicable to certain of these companies or their products may change in ways that adversely affect the companies or their products' marketability and, thus, the revenue streams generated by the related assets held by a Hedge Fund.

The Private Equity Funds

GPP I, Fund II and Fund III by their nature invest in securities that are not registered and may not be sold unless they are registered or an exemption from registration is available. Consequently, their respective investment time horizon is comparatively longer than would be the case for publicly traded securities, and there are necessarily significant limitations on such Funds' ability to achieve liquidity. As stated above, the strategies the Private Equity Funds employ involve a substantial degree of risk, and the Private Equity Funds may lose all or a substantial portion of their value. Consequently, investors bear the risk of loss that the Private Equity Funds' investments entail. Please see the Offering Documents specific to each fund for a more detailed discussion of risks. Following is a summary of the risks presented by the Private Equity Funds' investment strategies:

Sector Risk

Since each Private Equity Fund's investments are concentrated in the health care sector and generally concentrate in a relatively small number of companies, each Private Equity Fund will be less diversified than funds investing in a broader range of industries and a greater number of companies and, therefore, could experience greater volatility than more diversified funds.

Limited Number of Investments

Since the Private Equity Funds may only make a limited number of investments and such investments generally will involve a high degree of risk, poor performance by even a single portfolio company could severely affect the total returns to investors in such funds.

Failure to Make Capital Contributions

If a limited partner of the Private Equity Funds fails to make capital calls when due of its capital commitment and the contributions made by non-defaulting limited partners and borrowings are inadequate to cover the defaulted capital contribution, the Private Equity Funds may be unable to pay obligations when due, including obligations pertaining to its investments. Such default could lead to the Private Equity Funds incurring legal penalties, including monetary damages.

Service on Boards of Directors

The Private Equity Funds typically will have the right to designate directors to serve on the boards of directors of portfolio companies. The foregoing rights and activities could expose the assets of the Private Equity Funds to regulatory action and/or lawsuits and claims by a portfolio company, its security holders and its creditors.

Indemnification

The Private Equity Funds are required to indemnify Great Point and their respective managing members, officers, directors, agents, stockholders, members, partners, employees and affiliates against losses, liabilities, damages and expenses incurred in connection with the affairs of the Private Equity Funds.

Contingent Liabilities on Disposition of Investments

In connection with the disposition of an investment in a portfolio company, a Private Equity Fund 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 a business. To the extent that any of these representatives turn out to be inaccurate such Private Equity Fund may be required to fund liabilities that are in excess of its currently available reserves.

Great Point Provides Investment Advisory Services to other Clients

Although the principals of Great Point intend to devote a portion of their time and attention to the management of the Private Equity Funds, they are also responsible for managing and advising the Public Equity Clients. The Public Equity Clients are also engaged in the health care industry and at times are engaged in the same or similar sub-industries within that sector in which the Private Equity Funds invest, and activities of the Public Equity Clients at times restrict or otherwise negatively impact the activities of the Private Equity Clients. Great Point believes that this conflict is mitigated because the Public Equity Clients and the Private Equity Funds generally invest in different sub-sectors within the health care industry, do not plan to invest in the securities of an issuer in which another Client, including Public Equity Clients, are invested, and Great Point devotes dedicated personnel to the

Private Equity Clients.

Nature of Partnership Investments

The Private Equity Funds invest in lower middle market companies that Great Point believes are undervalued and may have significant risks as a result of business, financial or legal uncertainties, including their management strategies or market acceptance for the products or services.

Competitive Marketplace

The Private Equity Funds compete with a significant number of private equity funds, as well as institutional investors, for investments in prospective portfolio companies. It is possible that a Fund will never be fully invested if enough sufficiently attractive investments are not identified. The business of identifying, structuring and completing private equity transactions is highly competitive and involves a high degree of uncertainty. Generally, the limited partners will bear management fees through such Fund during the investment period based on the entire amount of the limited partners' commitments to such Fund and other expenses as set forth in the relevant Governing Documents.

Leverage

The Private Equity Funds investments include portfolio companies whose capital structures have leverage. Income and losses are magnified by the use of leverage. Additionally, the Private Equity Funds are generally subordinate in receiving a return of its investment capital compared with a holder of a portfolio company's debt.

Special Risks Associated with Non-US Investments

The Private Equity Funds from time to time invest a portion of the capital commitments in portfolio companies that are headquartered and have their principal operations outside the United States. These investments involve special risks not typically associated with investments in securities of United States issuers, such as those relating to political, economic, or regulatory conditions in foreign countries, such as currency exchange fluctuations, lack of adequate information, alternative accounting or auditing standards and varying taxation policies.

Material Non-Public Information

Great Point and its affiliates come into possession, from time to time, of material non- public information about certain companies, which if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, Great Point and its affiliates would be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a client of Great Point. Great Point will have no responsibility or liability for failing to disclose such information to clients. Similar restrictions are applicable as a result of Great Point personnel serving as directors or public companies and may restrict trading on behalf of clients, including the Private Equity Funds.

Illiquidity; Lack of Current Distributions

An investment in the Funds should be viewed as illiquid. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, will generally occur only upon the partial or complete disposition of an investment. While an investment may be sold at any time, it is not generally expected that this will occur for a number of years after the initial investment. Before such time, there may be no current return on the investments. Furthermore, the expenses of operating a Fund (including the management fee) may exceed its income, thereby requiring that the difference be paid from such Fund's capital.

Restricted Nature of Investment Positions

Generally, there will be no readily available market for a substantial number of each Fund's investments and hence, most of a Fund's investments will be difficult to value. Certain investments are distributed in kind to the partners of a Fund pursuant to the applicable Governing Documents and it may be difficult to liquidate the securities received at a price or within a time period that is determined to be ideal by such partners. After a distribution of securities is made to the partners, many partners may decide to liquidate such securities within a short period of time, which could have an adverse impact on the price of such securities. The price at which such securities may be sold by such partners may be lower than the value of such securities determined pursuant to the relevant Governing Documents, including the value used to determine the amount of performance-based allocation available to the applicable General Partner with respect to such investment.

Non-controlling Investments

At times, a Fund will hold meaningful minority stakes in privately held companies. In addition, during the process of exiting investments, a Fund at times may hold minority equity stakes of any size such as might occur if portfolio holdings are taken public. As is the case with minority holdings in general, such minority stakes that a Fund holds will have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes.

Projections

Projected operating results of a company in which a Fund invests normally will be based primarily on financial projections prepared by such company's management, with adjustments to such projections made by Great Point in its discretion. In all cases, projections are only estimates of future results that are based upon information received from the company and third parties and assumptions made at the time the projections are developed. There can be no assurance that the results set forth in the projections will be attained, and actual results may be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material impact on the reliability of projections.

Need for Follow-On Investments

Following its initial investment in a given portfolio company, Great Point may decide to provide additional funds to such portfolio company or has the opportunity to increase its investment in a

portfolio company, whether for opportunistic reasons, to fund the needs of the business, as an equity cure under applicable debt documents or for other reasons. There is no assurance that any Fund will make add-on investments or that any Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make add-on investments or its inability to make such investments may have a substantial negative impact on a portfolio company in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made) or may result in a lost opportunity for such Fund to increase its participation in a successful operation.

Reliance on Portfolio Company Management

Although Great Point will monitor the performance of each relevant Fund investment, it will primarily be the responsibility of each respective portfolio company's management team to operate such portfolio company on a day-to-day basis. Although Great Point generally intends on behalf of each Fund to invest in companies with strong management or recruit strong management to such companies, there can be no assurance that the management of such companies will be able or willing to successfully operate a company in accordance with any Fund's objectives.

Conflicts of Interest

Clients should be aware that there will be occasions where the principals of Great Point will encounter conflicts of interest in connection with the management of their Clients and their investments. At times, Great Point's advice and securities recommendations to Clients differs even though their investment objectives are the same or similar.

Currently, Great Point's principals are responsible for managing and advising the Hedge Funds and the Private Equity Funds and may in the future organize and manage one or more entities with similar or different objectives. These activities could be viewed as creating a conflict of interest in allocation of the principals' time and effort.

Until such time as Great Point is permitted to raise a successor fund to Fund III, Great Point will pursue all appropriate investment opportunities in private companies principally for the benefit of such Fund, subject to certain limited exceptions in accordance with its investment guidelines. Great Point believes the significant investment by Great Point in the Funds, as well as Great Point's interest in the performance-based allocation, operate to align the interest of Great Point with the interest of its Funds' investors, although Great Point has economic interests in other investment funds and investments as well and receives management fees and a performance-based allocation relating to such interests.

At such time as Great Point is permitted to raise a successor investment fund to a particular Fund, Great Point will continue to manage such prior Fund's investments, but will focus a portion of its investment activities on other opportunities and areas unrelated to such prior Fund's investments. Great Point from time to time is presented with investment opportunities that may be suitable not only for a particular Fund, but also for other Funds and other investment vehicles operated by advisory

affiliates of Great Point. In determining which investment vehicles should participate in such investment opportunities, Great Point and its affiliates are subject to conflicts of interest among the investors in such investment vehicles. Investments by more than one Fund in a portfolio company may also raise the risk of using assets of one Fund to support positions taken by other Funds.

Since the principals and employees of Great Point have capital invested in the Hedge Funds and Private Equity Funds, there will be times in which Great Point will be recommending investments to certain Clients in which the Great Point principals have an interest as a result of their investments in other Clients.

Clients may have conflicting tax and other interests with respect to their investments. As a consequence, conflicts of interest arise in connection with decisions made by Great Point with respect to the nature or structuring of investments, that may be more beneficial for one investor than for another, especially with respect to investors' individual tax situations.

Additionally, a portfolio company typically will reimburse Great Point or service providers retained at Great Point's discretion for expenses (including meals and travel expenses) incurred by Great Point or such service providers in connection with its performance of services for such portfolio company. Great Point determines the amount of these reimbursements subject to the management services agreement entered into with the respective portfolio company and Great Point's internal reimbursement policies and practices. Fee payment or expense reimbursement practices of Great Point or such service providers generally is subject to: arrangements with sellers, buyers and management teams; the review and supervision of the board of directors of or lenders to portfolio companies; and/or third-party co-investors in its transactions. These factors help to mitigate related conflicts of interest.

Great Point from time to time is presented with opportunities to receive portfolio company services in connection with a Fund's investments from CEO Advisory Board members or a limited partner that have relevant executive and/or management experience as determined by Great Point. Such service providers from time to time are granted the right to purchase a portfolio company equity interest or receive compensation in the form of a portfolio company equity interest or cash fees in connection with their management services to such portfolio company. To the extent that such service providers receive a portfolio company equity interest, it could be dilutive to the Fund's investment in such portfolio company. Although Great Point selects service providers that it believes are aligned with its operational strategies and will enhance portfolio company performance and, relatedly, returns of the relevant Fund, there can be no guarantee that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Great Point, its affiliates and/or personnel maintain relationships with financial institutions, service providers and other market participants, including managers of private funds, banks and brokers. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services to the Funds. In such a case, Great Point will have a conflict of interest with a Fund in recommending the retention or continuation of a third-party service provider

to such Fund or a portfolio company. Great Point will have a conflict of interest in making such recommendations, in that Great Point has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for a Fund, while the products or services recommended cannot be guaranteed to be the best available to the portfolio companies.

From time to time, Great Point's employees and/or affiliates may receive gifts, promotional items, intangible and/or other benefits from its vendors, vendors to its Clients or portfolio companies, or portfolio companies arising or resulting from their activities on behalf of Clients on terms not commercially available to all customers. Such benefits 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 Client expenses typically result in "miles" or "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 Great Point and/or such personnel (and not the Clients, investors and/or portfolio companies) even though the cost of the underlying service is borne by the Clients, investors and/or portfolio companies. Great Point has a gifts and entertainment policy, among other compliance policies, in place to address any conflicts of interest that may arise from receipt of such gifts or benefits.

Great Point enters into side letter arrangements with certain investors in its Funds, which provide such investors with different or preferential rights or terms. The side letters or other similar agreements have the effect of establishing rights under, altering or supplementing the terms of the governing documents of such applicable Great Point sponsored investment vehicle with respect to one or more such investors in a manner more favorable to such investors than those applicable to other investors. Any rights established, or any terms of the governing documents of such applicable Great Point-sponsored investment vehicle altered or supplemented in a side letter or other similar agreement with an investor will govern solely with respect to such investor (but not any of such investor's assignees or transferees unless so specified in such side letter) notwithstanding any other provision of the governing documents of such applicable Great Point-sponsored investment vehicle related thereto and matters arising under any side letter may be considered matters contemplated in the governing documents of an Client and the limitation on liability provisions therein shall apply equally to any side letter. Such rights or terms in any such side letter may include, without limitation, (i) fee and other economic arrangements with respect to such investor; (ii) excuse or exclusion rights applicable to particular investments or terms relating to withdrawal from the investment vehicle, including without limitation, as a result of an investor's specific policies or certain violations of federal, state or non U.S. laws, rules or regulations (which may materially increase the percentage interest of other investors in, and their contribution obligations, for future investments and expenses, and reduce the overall size of the Great Point-sponsored investment vehicle); (iii) additional or modified reporting obligations of the applicable general partner (or similar managing fiduciary); (iv) waiver of certain confidentiality obligations; (v) prior consent of the general partner (or similar managing fiduciary) to certain transfers by such investor; (vi) special rights with respect to co-investment allocation and participation; (vii) rights or terms necessary in light of particular legal, regulatory or policy characteristics of an investor; (viii) potential mandatory waivers of compensation as a result of certain violations of law with regard to public pension plan investors; (ix) additional obligations and restrictions of the applicable general partner (or similar managing fiduciary) with respect to the structuring of any particular investment in

light of the legal, tax and regulatory considerations of particular investors; (x) agreements to assist with the taking or defending of tax positions and (xi) certain obligations and restrictions on the applicable general partner (or similar managing fiduciary) with respect to the exercise of its discretion on certain matters, including amendments, exercising default remedies and waiving confidentiality or terms. Except as otherwise agreed with an investor, the general partner (or similar managing fiduciary) of a Client does not have an obligation to give investors notice of any side letters entered into, except with respect to most-favored-nations provisions. However, subject to confidentiality obligations, the general partner (or similar managing fiduciary) may make available copies of all side letters or a compendium containing the provisions of any such side letters, which may be redacted of any identifying information. Such copies or compendium may be made available to an investor only after such investor has been admitted to such Great Point-sponsored investment vehicle.

Subject to any of its obligations under applicable side letters, Great Point is permitted to offer co-investment opportunities in its sole discretion, is not expected to offer co-investment with respect to all Client investments and may allocate any such opportunities in its sole discretion, including for example, on the basis of the size of investor commitments to Great Point funds, vehicles and accounts. In making such allocation decisions, the general partner will be entitled to consider any interests and factors as it desires. Great Point may or may not charge management fees, one-time funding/upfront fees and/or carried interest in respect of co-investments, as it determines in its sole discretion. Investing in a Client does not give investors any absolute rights, entitlements or priority to co-investment opportunities.

Expenses frequently will be incurred by multiple Clients. Great Point allocates aggregate costs among the applicable Clients (and, in certain cases, among Great Point and applicable Clients) in accordance with allocation policies and procedures which are reasonably designed to allocate expenses in a fair and reasonable manner over time among such Clients. However, expense allocation decisions can involve potential conflicts of interest (e.g., an incentive to favor Clients that pay higher incentive fees, or conflicts relating to different expense arrangements with certain Clients). Under its current expense allocation policies, Great Point generally allocates the expense among the Clients on a pro rata basis based on assets under management. Great Point may, however, use other methods to allocate certain expenses among the Client if it deems another method more appropriate based on the relative use of a product or service, the nature or source of the product or service, the relative benefits derived by the Clients from the product or service, or other relevant factors. Nonetheless, the precise portion of a common expense that Great Point allocates to a Client for a particular product or service may not reflect the relative benefit derived by Client from that product or service in any particular instance. Great Point's expense allocations often depend on inherently subjective determinations and, accordingly, expense allocations made by Great Point in good faith will be final and binding on the Clients.

Certain advisors and other service providers, or their affiliates (including, without limitation, accountants, administrators, lenders, bankers, brokerage firms, brokers or other deal sourcers, attorneys, consultants, custodians, investment or commercial banking firms, valuation agents and

certain other service providers, advisors and agents) provide goods or services to Clients, Great Point-sponsored or -affiliated investment vehicles and/or their portfolio companies, or have business, personal, financial or other relationships with Great Point, its affiliates, employees and its portfolio companies. Such service providers or their affiliates are (i) investors in a Client (or an affiliate of a Client), (ii) sources of investment opportunities or of potential new investors in a Client, or (iv) co-investors or counterparties, and payments by a Great Point-sponsored investment vehicle and/or such portfolio company may indirectly benefit Great Point and/or such other Great Point entity. These relationships and the potential of leveraging the capabilities of its personnel through the use of service providers may influence Great Point in deciding whether to select or recommend such a provider (or affiliate thereof) to perform services for such Client or a portfolio company (the cost of which will generally be borne directly or indirectly by the Client or such portfolio company, as applicable). Notwithstanding the foregoing, investment transactions for a Client that require the use of a service provider will generally be allocated to service providers on the basis of Great Point's judgment as to best execution, the evaluation of which includes, among other considerations, such service provider's provision of certain investment-related services and research that Great Point believes to be of benefit to the Client.

Great Point from time to time allows Clients to engage in cross transactions, which occur when a transaction is effected directly between two or more of Great Point's Clients. Cross transactions may benefit advisory clients because they can avoid certain transaction fees and negative market impact. They also create conflicts of interest because, by not exposing buy and sell transactions to market forces, advisory clients may not receive the benefits of best price. Great Point has established policies and procedures that address permissible cross transactions. Typically, the governing agreements for each of the Clients address permissible cross transactions. In the case of a separately managed account, the investment management agreement or similar documentation addresses cross transactions.

Any of these situations subjects Great Point and/or its affiliates to conflicts of interest. Great Point attempts to resolve such conflicts of interest in light of its obligations to investors in its Funds and the obligations owed by Great Point's advisory affiliates to investors in investment vehicles managed by them, and attempts to allocate investment opportunities among a Fund, other Funds and such investment vehicles in a fair and equitable manner. Great Point may allocate a portion of any investment opportunity to one or more third-party investors, including a co-investment vehicle formed to participate in such investment alongside a Fund in accordance with the partnership agreement of the relevant Fund. Such co-investment opportunities may be allocated to one or more existing limited partners of such Fund, lenders, consultants, advisors (including CEO Advisory Board members) employees and/or strategic or other investors, in each case subject to the terms of the Governing Documents of the relevant Fund. To the extent that an investment or relationship raises particular conflicts of interest, Great Point will review the circumstances of such investment or relationship with a view to addressing and reducing the potential for conflict. Where necessary, Great Point will consult and receives consent to conflicts from an advisory committee consisting of limited partners of the relevant Fund.

ITEM 9 – DISCIPLINARY INFORMATION

In April 2013, certain Hedge Funds participated in a secondary offering during a restricted period in violation of Rule 105 of Regulation M. Rule 105 generally prohibits purchasing an equity security from an underwriter, broker or dealer participating in a public offering if the purchaser sold short the security that is the subject of the offering during a restricted period (usually defined as five business days before the pricing of the offering), absent an exception. The SEC entered an order on September 16, 2014 accepting an offer of settlement by Great Point.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Neither Great Point nor its management persons are registered, or have an application pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of thereof.

An affiliated entity of Great Point, GPP Securities, LLC (“GPPS”), is registered as a member firm with FINRA and a registered broker-dealer with the SEC. GPPS has and will enter into certain transaction services agreements with portfolio companies of Private Equity Clients to provide certain transaction-based advisory services (“Services”). Great Point has an incentive to recommend GPPS, as its affiliate to portfolio companies raising a conflict of interest between Great Point and the interests of its Private Equity Clients who share in proceeds returned from its portfolio companies. Great Point believes this conflict is mitigated because Great Point believes such services will enhance portfolio company performance and, relatedly, returns of the relevant Fund, and because senior management of the relevant portfolio company, which has a vested interest in minimizing their company’s expenses, is required to contractually approve any such arrangements for Services with GPPS. Whether or not Great Point has a relationship or receives financial or other benefits from recommending GPPS for Services, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Great Point’s relationship with the General Partners and their respective members and officers is material to Great Point’s advisory business, as the General Partners are responsible for managing the business of the Funds, other than investment advisory activities.

Great Point does not recommend or select other investment advisers for its clients from whom Great Point receives compensation, directly or indirectly, or have other business relationships with any such advisers that create a material conflict of interest.

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

Great Point has adopted a code of ethics policy (the “Code”) pursuant to Rule 204A-1 under the Advisers Act. The Code obligates all employees to put Great Point’s Clients’ interest over their own. The purpose of the Code is to (i) educate employees about the laws governing their conduct, (ii) remind employees that they are in a position of trust and must act with complete propriety at all times, (iii) guard against violation of the federal securities laws, (iv) protect Great Point’s Clients by deterring misconduct, and (v) establish procedures for employees to follow so that Great Point can assess whether employees are complying with the highest ethical principles.

The Code also sets forth procedures (i) requiring the disclosure by employees of personal securities transactions; (ii) requiring preclearance of certain personal securities transactions; (iii) requiring review by the firm of employee personal securities transactions; (iv) requiring preclearance for employee political contributions; and (v) prohibiting the use of material non-public information. All employees must certify that they have received, read and understand our Code when they are hired, on an annual basis, and when it is amended.

Principals and employees of Great Point directly or indirectly own interests in one or more of the Funds. Such practice presents a conflict of interest in that Great Point has an incentive to act according to the interests of its principals and employees. As stated above, the Code obligates Great Point and its employees to place client interests ahead of their own. A copy of the Code is available to potential or existing Clients, upon request, and can be obtained by contacting Ron Panzier, Great Point’s Chief Compliance Officer.

ITEM 12 – BROKERAGE PRACTICES

Public Equity Clients

Great Point has complete discretion in deciding what broker-dealers the Public Equity Clients will use and in negotiating the commission rates. In selecting brokers to effect portfolio transactions, Great Point considers such factors as the ability of the brokers to effect the transactions, the brokers' reputation, financial condition, infrastructure, alternative trading options, and ability to provide research and commission rates charged, among other factors. Broker-dealers selected by Great Point may also provide capital introduction services, including possible investor referrals. Although Great Point may have an incentive to use these broker-dealers to execute Public Equity Client transactions over others, Great Point's broker-dealer selection procedures are designed to ensure that it does not consider capital introduction services or referrals in determining what broker-dealers to use for Public Equity Client transactions. Great Point does not necessarily solicit competitive bids and offers and does not have an obligation to seek the lowest available commission cost. Consequently, Great Point will determine that the commissions charged by a broker are reasonable in relation to the value of the brokerage, research and related products or services provided by such broker, even if the commission charged by that broker will not necessarily be the lowest.

Great Point believes that "soft dollar" commissions expended with its brokers provide important value to its Public Equity Clients. Research products or services provided may include research reports on particular industries and companies, economic surveys and analyses, recommendations as to specific securities and other products and services, as well as access to industry consultants that provide assistance to Great Point in the performance of its investment decision-making process. While Public Equity Clients in some situations will pay higher commissions or receive execution at a less favorable rate than it would from another brokerage, creating conflicts of interest between benefits received by Great Point and the interests of its Clients, Great Point believes this conflict is mitigated because Great Point's Best Execution Committee reviews its brokerage relationships on a quarterly basis based on an analysis performed by a third-party consultant to ensure that its relationships provide value to its Public Equity Clients and that Great Point provides best execution to its clients.

Great Point's use of "soft dollars" is within the parameters of Section 28(e) of the Securities Exchange Act of 1934. Research obtained with soft dollars commissions, paid by the Public Equity Clients, may be used to service Clients other than the Public Equity Clients. Where a product or service obtained with soft dollars provides both research and non-research assistance, Great Point will allocate the cost of the services to the affected Public Equity Clients, in proportion with the value of the services that each relevant Public Equity Client receives.

The use of the Public Equity Clients' brokerage commissions to obtain research and products and services raises conflicts of interest. For example, Great Point will not have to pay for the research or other products and services itself. This creates a financial incentive for the firm to select or recommend a broker-dealer based on its interest in receiving those products and services, rather than on Public Equity Clients' interest in receiving most favorable execution. However, as discussed above, Great

Point has established a Code of Ethics policy that requires it to place the interests of Clients ahead of its own.

In certain circumstances, including as a result of a cash flow coming in or out of Public Equity Clients, Great Point may rebalance Public Equity Clients' accounts by effecting cross-trades between the other Public Equity Clients. In effecting a cross-trade, Great Point seeks to reduce the transaction costs and market impact to its Public Equity Clients.

Great Point's policies and procedures require it to allocate investment opportunities among our Public Equity Clients in a fair and equitable way. Trades are aggregated and allocated, subject to Great Point's discretion, among the Hedge Fund Clients and long/short Managed Accounts based on equal percentages. Client accounts not pursuing the same investment strategy are likely to have different target allocations. Notwithstanding the above, and for the avoidance of doubt, Great Point may determine a different manner of allocating trades.

The Private Equity Funds

Investments that Great Point makes in the Private Equity Funds are generally investments in private companies or purchases in private placements and may involve brokers. Great Point uses brokers to sell public stock received when a private company completes an initial public offering or is acquired by a public company in exchange for stock. Brokers selected for the sale of public stock in the Private Equity Funds are selected in the same manner as brokers selected for the Public Equity Clients.

GPP Securities, LLC, our affiliated broker dealer, from time to time effects securities transactions for portfolio companies within our private equity portfolios and, in connection therewith, receives transaction fees. See Item 10 for more information regarding Great Point's practices and conflicts of interest in connection therewith.

ITEM 13 – REVIEW OF ACCOUNTS

Public Equity Clients

Dr. Jay, and Mr. Yehudai are the members of the Investment Committee of the Public Equity Clients (the “HF Committee”). The HF Committee and other investment staff reviews position sizes, restrictions, and risk tolerances generally several times a week. The limited partners and shareholders of Hedge Fund Clients are provided investment performance commentaries and account statements monthly. Additionally, Great Point prepares and provides a written annual review of performance.

The Private Equity Funds

Dr. Jay, Mr. Dolder, Noah Rhodes and Rohan Saikia are the members of the Investment Committee of the Private Equity Funds (the “PE Committee”). The PE Committee and other Great Point employees that are members of the Private Equity team typically meet at least twice weekly to discuss current portfolio companies, needed initiatives and action plans. Limited partners in the Private Equity Funds are provided with unaudited quarterly reports that summarize developments relating to the Private Equity Fund’s portfolio companies, annual audited financial reports, and tax information necessary for the completion of any applicable federal tax returns. Great Point writes an annual review at year-end that is distributed to investors summarizing performance, investments and the outlook for the coming year. Great Point holds annual meetings offering investors the opportunity to review and discuss the Private Equity Funds' activities.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Broker-dealers that we use to execute client transactions as discussed in Item 12 (Brokerage Practices) above provide Great Point with research and/or execution-related products or services.

Great Point and/or its affiliates provide certain business or consulting services to companies in a Private Equity Fund's portfolio and receive compensation from these companies in connection with such services. As an example, GPP Securities, LLC, our affiliated broker dealer, from time to time performs certain services for portfolio companies within our private equity portfolios and in connection therewith receives transaction-based compensation. As described in the Governing Documents, this compensation, offsets a portion, but not all, of the management fees paid by a Private Equity Fund. Please see the section above entitled Fees and Compensation for more information.

ITEM 15 – CUSTODY

Great Point has established accounts with qualified custodians to hold funds and securities on behalf of its Clients.

The financial statements of the Hedge Funds and Private Equity Funds are subject to annual audit in accordance with generally accepted accounting principles by independent accountants who are registered with the Public Company Accounting Oversight Board and are required to be distributed to fund investors within 120 days of the end of a fund's fiscal year. Investors are urged to carefully review such audited statements and compare them to reports provided by Great Point. Managed Account Clients receive monthly account statements from Great Point. Managed Account Clients are urged to review such statements and compare them to their respective custodial account statements.

ITEM 16 – INVESTMENT DISCRETION

Great Point provides investment advisory services on a discretionary basis to its Clients. Great Point has discretionary authority to determine the type, amount and price of securities and investments to be bought and sold on behalf of each Client, including the selection of, and commissions paid to, broker-dealers.

ITEM 17 – VOTING CLIENT SECURITIES

To the extent Great Point has been delegated proxy voting authority by its Clients, it has adopted and follows proxy voting policies and procedures that are designed to ensure proxies are voted in the best interests of its Clients. The guiding principle by which Great Point votes all proxies is the maximization of the ultimate long-term economic value of the relevant Client holdings.

Great Point's policies and procedures do not permit proxy voting decisions to be influenced in any manner that is contrary to this guiding principle. In exercising its voting discretion, Great Point seeks to avoid conflicts of interest between its Clients and its voting decision. Great Point has engaged Broadridge Investor Communication Solutions, Inc. to help manage the proxy voting process. Copies of relevant proxy logs identifying how proxies were voted and copies of proxy voting policies are available to any client upon written request to: Ron Panzier, Chief Compliance Officer, Great Point Partners, LLC, 165 Mason Street, 3rd Floor, Greenwich, CT 06830.

ITEM 18 – FINANCIAL INFORMATION

Great Point does not require or solicit prepayment of advisory fees six months or more in advance. Great Point does not have any financial commitments that might impair current or future ability to meet our contractual commitments to clients and we have not been the subject of a bankruptcy petition at any time during the past ten years.