



# PACIFIC PRIVATE FUND ADVISORS

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## **Brochure**

**Pursuant to Part 2A of Form ADV**

**Updated: March 29, 2021**

This brochure ("**Brochure**") provides information about the qualifications and business practices of Pacific Private Fund Advisors LLC ("**PPFA**"). If you have any questions about the contents of this Brochure, please contact us at (949) 219-5010. 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 PPFA is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

In this Brochure, PPFA is referred to as a registered investment adviser under the Investment Advisers Act of 1940, as amended (the "**Advisers Act**"). SEC registration of an investment adviser does not imply a certain level of skill or training.

**Item 2.        Material Changes**

The business practices of PPFA have not materially changed, and there have been no material substantive changes to the information contained in our brochure since the annual update of the brochure dated March 30, 2020, except as follows:

- Numerical data has been updated in Items 4 and 10.
- Item 8 has been updated to include additional risk disclosures.
- Item 10 has been updated to reflect changes to PPFA's financial industry affiliations.
- Item 11 has been updated to disclose the use of placement agents.
- Item 12 has been updated to better describe PPFA's brokerage practices.

You may request this Brochure by contacting PPFA at the address or telephone number listed on the first page of this Brochure.

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

- A. PPFA, a Delaware limited liability company, was formed in July 2013, to form and manage private market investment portfolios for its clients. PPFA is a wholly owned subsidiary of Pacific Life Insurance Company (“**Pacific Life**”). Through its direct and indirect subsidiaries, Pacific Life is engaged in a wide variety of insurance, financial services, and other investment-related businesses.
- B. PPFA’s sole business is providing private market investment management and advisory services, either as the investment manager to fund of funds formed and advised by PPFA (each a “**Private Fund**” and collectively the “**Private Funds**”) or as the adviser to client separate accounts (“**Separate Accounts**”). Although PPFA serves as the investment adviser to all of the Private Funds, most funds are structured to have a distinct general partner responsible for the daily operations of the respective fund, and each general partner is an affiliate of PPFA. Although investors in the Private Funds are not considered PPFA’s clients for regulatory purposes, PPFA sometimes refers to those investors as clients

PPFA advises the Private Funds and Separate Accounts in their private market investments in investment partnerships or alternative investment vehicles (“**Underlying Funds**”) managed by third party investment managers (“**Managers**”) with respect to both investments made at the initial or subsequent closing of an Underlying Fund and the purchase of partnership interests from existing investors in an Underlying Fund. PPFA also advises clients with respect to co-investments made alongside existing and prospective Underlying Funds, either directly in a portfolio company or through a special-purpose vehicle.

PPFA’s private market investment management and advisory services consist primarily of (i) helping clients develop their investment goals, objectives, and policies; (ii) screening investments and conducting due diligence, including qualitative and quantitative analysis; (iii) structuring and negotiating legal documents; and (iv) ongoing monitoring and reporting on clients’ investments.

- C. PPFA has full discretion over investment decisions made on behalf of its clients, subject to client investment guidelines that are tailored to the needs of each client and mutually agreed upon by PPFA and the client. Other than as set forth in client agreements and investment guidelines, PPFA’s clients may not impose restrictions on investing in certain securities or types of securities.
- D. PPFA does not participate in any wrap fee programs.
- E. As of December 31, 2020, PPFA managed \$4,403,879,781 on a discretionary basis. Client assets include net asset value, plus any uncalled capital commitments.

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

Upon withdrawal or termination of an advisory relationship or upon investment other than at the beginning of the normal investment cycle, PPFA will refund fees and/or charge a

client (or the investors of such client) only for the actual period of time that PPFA provided advisory services.

### **I. Private Funds**

For discretionary investment management services to the Private Funds, PPFA generally is paid management fees per annum of assets under management or invested and reinvested capital, as applicable. Some Private Funds pay a management fee based on the total commitments made to the fund. The management fee for a Private Fund may be based upon notional values, which are described in the respective Private Fund's limited partnership agreement, confidential private placement memorandum, investment management agreement and/or other governing documents (collectively, the "**Governing Documents**"). In addition, PPFA may receive performance-based fees or investment profit allocations ("carried interest") with respect to Private Funds, as further discussed in Item 6.

PPFA may reduce, waive, or calculate differently, all or part of the management fee attributed to certain affiliated limited partners of the Private Funds, including employees of PPFA, Pacific Life and its affiliates.

The respective general partners of the Private Funds typically will receive certain allocations from the Private Funds that are calculated and charged based on a share of gains on or net income from the assets of the Private Funds. The allocations may be disproportionate relative to the capital contribution that the general partner makes to the Private Fund. Any share of profits allocated or distributed to a general partner or affiliate of a Private Fund is separate and distinct from the management fee charged by PPFA to the Private Fund for advisory services.

### **II. Separate Accounts**

For Separate Accounts, PPFA's role is generally limited to portfolio management functions. Clients typically pay separate fees to third parties for other services associated with the account, such as custody and audit services. Separate Account fees are negotiable, taking into account the commitment amount and the investment mandate.

### **III. Other Fees**

In addition to any fees paid to PPFA and its affiliates, Separate Accounts and clients and investors in the Private Funds pay their pro rata portion of the management fees, incentive fees or allocations, and expenses in respect of each Underlying Fund in which such client or investor is invested.

Investors in the Private Funds also bear the Private Funds' organizational and operating expenses. These expenses are set forth in detail in each Private Fund's Governing Documents.

To the extent that PPFA's clients purchase secondary interests, they may incur fees and expenses related to (i) a broker who has assisted either the seller or buyer in consummating the transaction and (ii) transfer expenses (including legal and accounting fees) incurred by the

Underlying Funds arising from or related to the secondary transaction. Such fees and expenses will be set forth in a contract with the broker or addressed in the purchase and sale agreement for the transaction.

#### **IV. Other Compensation**

PPFA and PPFA's supervised persons do not earn commissions for the sale of securities or other investment products. PPFA's supervised persons receive a base salary along with an annual discretionary bonus that is based upon a variety of factors including, but not limited to, the profitability of PPFA and contributions of that individual to the success of PPFA.

Please see the response to Item 12 for additional information about brokerage commissions.

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

##### **Performance-Based Fees**

PPFA generally receives a carried interest distribution from the Private Funds. The fact that PPFA is compensated based on trading profits may create an incentive for PPFA to make investments on behalf of certain Private Funds that are riskier or more speculative than would be the case in the absence of such compensation.

Please refer to the Governing Documents of each Private Fund for complete information on the specific fee arrangements of the Private Fund.

##### **Side-by-Side Management**

PPFA provides advisory services to a Separate Account for Pacific Life. This presents a potential conflict of interest because PPFA may have an incentive to allocate more favorable investment opportunities to Pacific Life than to the Private Funds.

PPFA has adopted an investment allocation policy which considers multiple criteria to reduce or eliminate this potential conflict, in order to allocate investment opportunities to both Pacific Life's Separate Account and the Private Funds in a fair and equitable manner.

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

PPFA provides discretionary advice to the Private Funds and Separate Accounts. PPFA may in the future also manage other private funds or advisory accounts for clients and may provide investment advice to advisory clients on either a discretionary or a non-discretionary basis.

##### **Minimum Investment Requirements**

PPFA and its related persons require that each limited partner in the Private Funds and each beneficial owner of a Separate Account qualify as (i) an "accredited investor" as defined in

Regulation D under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) and (ii) either a “qualified purchaser” as defined in Section 2(a)(51) of the Investment Company Act of 1940 (the “**Investment Company Act**”) or a “knowledgeable employee”, as defined under Rule 3c-5 of the Investment Company Act. The limited partners of the Private Funds may include high net worth individuals, corporations, funds of funds, financial institutions, insurance companies, endowments, foundations, trusts, estates, sovereign wealth funds, and public and private pension, profit sharing plans, and knowledgeable employees.

The minimum investment commitment required of a limited partner to participate in the Private Funds typically is \$1,000,000 for institutional investors and \$100,000 for individual investors; however, the general partner of each Private Fund has discretion to increase or reduce the minimum investment commitment. Investors in the Private Funds should refer to the Governing Documents for complete information on minimum investment requirements for participation in the Private Funds.

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

### **Investment Strategy and Methods of Analysis**

PPFA pursues the investment objectives of the Private Funds and Separate Accounts by investing substantially all of their assets in a variety of Underlying Funds covering many different investment styles. PPFA typically allocates client assets to Underlying Funds that are unaffiliated with PPFA and its affiliates.

PPFA systematically evaluates Managers with an approach involving personal interviews of the Managers and analysis of documents provided by the Managers. Each Manager’s investment strategy, portfolio management skills, organizational skills, and performance are analyzed. In executing its strategy, PPFA utilizes both a bottom-up and top-down analysis, evaluating both potential Underlying Funds and the underlying securities held by the Underlying Fund. PPFA uses a combination of analytical techniques, typically incorporating a company-by-company review of a potential Underlying Fund’s holdings to determine a range of values. These valuations are then applied to various analytical criteria and benchmarked against net asset value, cost and projected exit value. In addition to its investment review, PPFA also conducts a legal review, compliance, operational due diligence and accounting review. Prospective Managers are presented to the Investment Committee for a vote of eligibility for investment. The Investment Committee serves as an integrity check to seek to ensure that the due diligence process is complete and that the terms agreed to are consistent with PPFA’s investment policies, restrictions and guidelines.

### **Material Risks**

The risk factors discussed below provide a general description of the nature of various risks to which a client or investor may be exposed. These risks may arise from either PPFA’s investment advice, direct investment decisions made by PPFA, or through investments made with an Underlying Fund.

Investing involves risk of loss that clients and investors should be prepared to bear. Not all of the risks listed below will pertain to every client or investor and clients and investors are likely to be exposed to additional risks not described herein.

The following risk factors do not purport to be a complete enumeration or explanation of the risks involved in an investment in any or all of the strategies of PPFA.

The task of identifying investment opportunities and managing the investments is difficult. There can be no assurance that PPFA will be able to choose, and the Private Funds or Separate Accounts will be able to make and/or realize any investment or that the Private Funds or Separate Accounts will be able to generate returns for their investors. In addition, there can be no assurance that any investor will receive any distributions. Clients and investors should refer to their account documents for complete information on investment strategies employed and the corresponding risks associated with the investment strategies.

**Multi-Manager Concept.** As noted above, the Private Funds and Separate Accounts invest substantially all their assets in Underlying Funds. While providing PPFA clients with diversification, this multi-Manager approach also exposes PPFA clients to several layers of fees and expenses. In addition to the management fees and performance fees, if any, charged by PPFA, each Underlying Fund may charge a management fee and/or a performance fee and may incur expenses. These fees and expenses reduce the returns generated by the Private Funds and Separate Accounts and may, in the aggregate, be higher than fees and expenses charged by Underlying Funds with a single Manager.

Moreover, because the Private Funds and Separate Accounts invest in Underlying Funds whose Managers make their trading decisions independently, it is theoretically possible that one or more of such Managers may, at any time, take investment positions that are opposite of positions taken by other Managers. It is also possible that these Managers may, on occasion, be competing for similar positions at the same time. Also, a particular Manager may take positions for its other clients that are opposite to positions taken for the Underlying Fund in which a Private Fund or Separate Account invests.

**Investment Strategies.** The success of the Private Funds and Separate Accounts depends on PPFA's ability to select and allocate assets to individual Underlying Funds. Success also depends on each Underlying Fund's ability to select individual investments, to correctly interpret market data, predict future market movements and otherwise implement its investment strategy. To the extent possible, PPFA will actively allocate and reallocate assets among various Underlying Funds. There can be no assurance that the Private Funds or Separate Accounts will always be able to invest in a particular Underlying Fund. No assurance can be given that the investment strategies to be used by the Private Funds and Separate Accounts or an Underlying Fund will be successful under all or any market conditions.

**Nature of Equity or Equity-Related Investments.** Certain Underlying Funds are devoted to equity or equity-related investments that by their nature involve business, financial, market, and/or legal risks. While such investments offer the opportunity for significant capital gains,

they also involve a high degree of risk that may result in substantial losses. There can be no assurance that PPFA or any Manager will correctly evaluate the nature and magnitude of the various factors that could affect the value of such investments. Prices of equity investments may be volatile, and a variety of other factors that are inherently difficult to predict, such as domestic or international economic and political developments, can significantly affect the results of an Underlying Fund's or an underlying portfolio company's activity. As a result, performance of Underlying Funds or Managers over a particular period is not necessarily indicative of the results that may occur in future periods.

**Nature of Private Credit Investments.** Underlying Funds that are focused on private credit invest in debt-related securities issued by privately held companies, including first-lien debt instruments, unitranche debt instruments, and second-lien or other junior debt instruments. These private credit investments may offer a greater interest rate and higher fees than traditional, marketable debt securities but may also entail additional risks. Private credit investments are generally illiquid and non-marketable with no, or only limited, secondary trading market. The lack of an active secondary market may make it difficult to determine fair value for private credit investments or to exit at a fair price. Adverse changes in the financial condition of the obligor or in general economic conditions (including, for example, a substantial period of rising interest rates or declining earnings) or both will impair the ability of the obligor to make payment of principal and interest. Overall adverse conditions in the below-investment-grade bond and other markets may adversely affect such issuers by inhibiting their ability to refinance their debt at maturity. Other risk factors for private credit investments include the following: (i) the return of principal will depend on the credit-worthiness and financial strength of the issuers; (ii) they may become non-performing for a variety of reasons, including inadequate cash flow to meet debt service; (iii) they may be detrimentally affected if there is insufficient collateral; and (iv) the market value may be volatile and generally will fluctuate due to a variety of factors that are inherently difficult to predict.

**Nature of Leveraged Buyout Investments.** Certain Underlying Funds are devoted to leveraged acquisitions, growth capital investments, and restructurings. While the companies in which such Underlying Funds invest offer the opportunity for capital appreciation, they also involve a high degree of risk. These portfolio companies typically use high degrees of leverage, which could magnify losses incurred by these Underlying Funds. Losses can occur because of recessions, operating problems, or other general business or economic risks. Also, increased interest rates generally increase the portfolio companies' interest expenses. If any portfolio company cannot generate adequate cash flow to meet debt service, the Underlying Fund, and the Private Fund or Separate Account holding such Underlying Fund, may suffer a partial or total loss of capital invested.

**Nature of Distressed Debt Investments.** Underlying Funds focused on the distressed debt market invest in debt securities and other obligations of portfolio companies that are undergoing, are likely to undergo, or have undergone (i) reorganization under U.S. federal bankruptcy law or similar laws in other countries or (ii) other extraordinary transactions, such as debt restructurings, reorganizations, and liquidations outside of bankruptcy. Such portfolio companies may have capital structures with significant leverage, which makes such

investments inherently more sensitive to declines in revenues and to increases in expenses and interest rates. Additionally, the securities acquired by such Underlying Funds are often the most junior in what is typically a complex capital structure, and thus are subject to the greatest risk of loss. Furthermore, there are several significant risks when Underlying Funds invest in portfolio companies that are involved in bankruptcy proceedings. Investments in Underlying Funds focused on investments of this type are highly speculative and can result in the loss of capital contributions.

**Nature of Special Situation Investments.** Certain Underlying Funds will invest in special situation investments, such as investments in specific industries (e.g., energy and debt-related investments) or in Underlying Funds that implement a hybrid investment strategy. The portfolios of these Underlying Funds may include a small number of large positions or may be concentrated in one industry. Any adverse change in one or more of such portfolio investments or industries could have a material adverse effect on the Underlying Fund and returns to PPFA's clients may be lower than if they had invested in an Underlying Fund with a more diversified portfolio. These Underlying Funds will also be more susceptible to market or industry-segment volatility. Various other factors, including prevailing market and regulatory conditions and a lack of available investment opportunities, may prevent these Underlying Funds from diversifying their investment portfolios.

**Costs and Liabilities Associated with Secondary Investments.** In a secondary investment, PPFA's clients typically acquire any contingent liabilities of the seller and are generally required to pay expenses related to the transfer, including legal, brokerage, and accounting expenses (including such costs of the Manager in connection with documenting and approving the transfer). These liabilities and expenses are not typically incurred in a primary investment. For instance, if the seller has received distributions from an Underlying Fund and is required to return such distributions to the Underlying Fund after the transfer, PPFA's clients (as the purchaser of the interest) could be obligated to return to the Underlying Fund monies equivalent to such distributions. In such circumstances, PPFA could have a claim against the seller for any such monies. However, there can be no assurances that it would have the ability to make such a claim, that it would prevail on such claim, or that the seller could make any payment. Moreover, in a secondary investment, PPFA's clients may be required to make representations typical of those made in connection with the purchase of a primary investment and to indemnify the Underlying Fund and/or the seller of the secondary interest to the extent that any such representations turn out to be incorrect. In certain circumstances, an Underlying Fund could recall or withhold distributions to meet the liabilities of PPFA's clients.

**Nature of Co-Investments.** Co-investments will generally be in a single portfolio company and will not have access to additional investment opportunities (other than potential add-on investments). Accordingly, if the portfolio company has a material loss, then returns to PPFA's clients invested in the co-investment may be lower than if they had invested in a well-diversified portfolio. Further, co-investments may be subject to greater market fluctuations than an investment in a portfolio of securities representing a broader range of industries or companies. Co-investments involve investments in third party-sponsored co-investment vehicles and direct co-investments (which may be held indirectly through holding vehicles) in

securities of portfolio companies. Neither PPFA nor its clients control or have an active role in the day-to-day management of a co-investment vehicle or a portfolio company or can negotiate the terms of such investments. Accordingly, the returns of a specific co-investment will depend primarily on the performance of the portfolio company and could be substantially adversely affected by the unfavorable performance of the company's management. The success of a co-investment depends, in part, on the ability of the third-party Manager or portfolio company management to transform, grow, and/or improve the business and operations of a portfolio company. The activity of identifying and implementing operating improvements in a portfolio company entails a high degree of uncertainty. There can be no assurance that the Manager will be able to successfully identify and implement such improvements. In addition, there can be no assurance that the existing management team, or any new one, will be able to operate the portfolio company successfully.

**Co-investment Portfolio Company Risks.** A co-investment in a single portfolio company can involve a significant degree of financial and/or business risk, including legal and tax changes, excessive or very limited regulatory oversight, currency fluctuations, risks associated with the use of leverage, financial or industry market turmoil, litigation risks, indemnification requirements, lack of market liquidity, devaluations and enhanced volatility in global equity, inflation, fuel and energy costs, lack of available credit, the state of interest and tax rates, demand for services, anti-money laundering risks, operating and technical risks, force majeure risks, pandemic risks, environmental liabilities, and work-force and labor disruptions. Any one of these factors could have a material adverse effect on the portfolio company's condition and results of operations. If any such slowdown or adverse development occurs, the investment by PPFA's clients could be adversely impacted, and the investment could decline in value or experience a complete loss of capital.

**Lack of Available Information; Limited Review.** Co-investments in privately held companies present certain challenges, including a lack of available information about these companies and uncertainty about the market value of the investments. PPFA may not have the same access to information or the same ability to negotiate terms of a co-investment that it would have if PPFA were leading the negotiation of the terms of such co-investment. Therefore, PPFA may not have the opportunity to evaluate all aspects of the specific co-investment and may not have the ability to conduct a qualitative review or analysis of the merits of a particular co-investment. Because the level of diligence will vary, there is no assurance that any such diligence will be thorough or conclusive or that all material risks in potential co-investments will be identified. PPFA's review of a co-investment may be limited to (i) its previous review and analysis of the Manager in connection with a primary investment and (ii) a review of compliance with its client's investment guidelines. Moreover, the information PPFA receives about a co-investment will be prepared by third parties and will not be independently verified by PPFA. If such information is inaccurate, PPFA may approve a co-investment that it would not have otherwise approved, which could negatively impact the financial returns of PPFA's clients.

**Dependence on Managers of Underlying Funds.** Neither PPFA nor a Private Fund or Separate Account will have direct control over such client's assets once they are allocated to

Underlying Funds; therefore, a Private Fund and Separate Account are highly dependent upon the expertise and abilities of the Managers who have investment discretion over the assets invested with them. Therefore, the death, incapacity or retirement of the Manager of any Underlying Fund or its principals, as well as the investment decisions made by any Manager or its principals, may adversely affect investment results of a Private Fund or Separate Account. Furthermore, while PPFA analyzes Underlying Funds and their Managers prior to a client investing with them, and while PPFA monitors the performance of the Underlying Funds and generally receives portfolio information from each Manager retained on behalf of a client, the information PPFA receives may not always be complete, timely or accurate. As such, it may not be possible for PPFA to uncover fraudulent activity perpetrated by one or more Underlying Funds or their Managers.

**Investment Risks in General.** The Private Funds and Separate Accounts will engage in speculative investment strategies. The prices of securities and other assets in which the Private Funds, Separate Accounts, and the Underlying Funds will invest may be volatile. Market movements are difficult to predict and are influenced by, among other things, government trade, fiscal, monetary and exchange control programs and policies; changing supply and demand relationships; national and international political and economic events; changes in interest rates; and the inherent volatility of the marketplace. In addition, governments from time to time intervene, directly and by regulation, in certain markets, often with the intent to influence prices directly. The effects of governmental intervention may be particularly significant at certain times in the financial instrument and currency markets, and such intervention (as well as other factors) may cause these markets and related investments to move rapidly.

**Limited Asset Allocation Flexibility.** The Private Funds and Separate Accounts are restricted in their ability to allocate capital and control risk given various limitations on the liquidity of Underlying Funds. Investments in the Underlying Funds are generally long-term in nature and require many years from the date of initial investment before disposition. Timing or amount of any distributions to clients is uncertain. The Private Funds and Separate Accounts will acquire privately offered interests in Underlying Funds. A limited market exists for the sale of interests in the Underlying Funds. A Private Fund or Separate Account could be unable to redeem its capital from Underlying Funds in which it invests for an extended period even after PPFA suspects fraudulent behavior, is made aware of the departure of a key person or has determined that the Manager operating such Underlying Fund has begun to deviate from its announced trading policies and strategy.

**Reliability of Valuations.** A client's interest in an Underlying Fund is generally valued at an amount equal to a client's interest in such Underlying Fund, as determined pursuant to the instrument governing such Underlying Fund, and reported by the Manager of the relevant Underlying Fund or its administrator. As a general matter, the governing instruments of the Underlying Funds provide that any securities or investments that are illiquid, not traded on an exchange or in an established market, or for which no value can be readily determined are assigned such fair value as the respective Managers may determine in their judgment based on various factors, which include, but are not limited to, dealer quotes or independent appraisals, and may include estimates. The Private Funds and Separate Accounts generally

rely on these valuations in calculating a net asset value for reporting, withdrawals, fees and other purposes. Such valuations may not be indicative of what actual fair market value would be in an active, liquid, or established market.

**Past Performance of Private Funds.** Past results of the Private Funds and predecessor funds are not necessarily indicative of future performance. No assurance can be made that profits will be achieved or that substantial losses will not be incurred.

**Private Funds and Underlying Funds May be Recently Organized.** The Private Funds are recently formed and have limited independent operating history upon which to evaluate their performance. Many of the Underlying Funds may be recently formed and may have no independent operating history upon which to evaluate their performance. Similarly, the Managers may have limited or no track records and/or operating histories.

**Dependence on Key Personnel.** PPFA relies on certain key personnel. The departure of any of the key personnel or their inability to fulfill certain duties may adversely affect the ability of PPFA to effectively implement the management of the Private Funds and Separate Accounts.

**Limited Regulatory Oversight.** The Underlying Funds in which the Private Funds and Separate Accounts invest and the Private Funds themselves are not registered under the Investment Company Act or the Securities Act, and the investors in the Underlying Funds, Private Funds, and Separate Accounts are not provided the protections of the Investment Company Act. Therefore, an investor in the Private Funds and Separate Accounts may not have the benefit of certain protections otherwise afforded to investors had the Private Funds, Separate Accounts and the Underlying Fund been more heavily regulated.

**Legal, Tax and Regulatory Risks.** PPFA and the Private Funds are subject to legal, tax and regulatory oversight by the SEC, the Internal Revenue Service and similar regulators worldwide. In addition, there have been recent legislative, tax and regulatory changes and proposed changes that may apply to the activities of PPFA, the Private Funds and Separate Accounts that may require material adjustments to the business and operations of, or have other material adverse effects on, PPFA and/ or the Private Funds. There also may be unanticipated legal, tax and regulatory changes. Any rules, regulations and other changes, and any uncertainty in respect of their implementation, may result in increased costs, reduced profit margins and reduced investment and trading opportunities, all of which may negatively impact the performance of the Private Funds and Separate Accounts.

**Investment and Trading Risks.** Investments in the Private Funds and Separate Accounts are speculative and involve a high degree of risk, including the risk that the entire amount invested may be lost. PPFA and/or the Managers may invest in and actively traded securities and other financial instruments using highly complex strategies and investment techniques with significant risk characteristics, including among others, risks arising from the volatility of the fixed income, commodity, currency and equity markets, risks of concentration, market risks, liquidity risks, risks of short sales, risks of leverage, risks arising from the potential illiquidity of assets, the risk of loss from counterparty and broker defaults, and legal and operations risks. PPFA and/or the Managers may utilize investment techniques such as

margin transactions, option transactions, short sales, forward contracts and futures contracts, which involve substantial volatility and can, in certain circumstances, substantially increase the adverse impact to which the Private Funds and Separate Accounts may be subject.

**Risks Inherent in Secondary Funds and Direct Investing.** The success of the investments made by PPFA are generally subject to a variety of risks, including, without limitation, those related to (i) the quality of the management of the Underlying Funds and the ability of management to successfully select investment opportunities; (ii) the quality of the management of the operating companies in which a Private Fund or Separate Account has invested, either directly or indirectly through Underlying Funds, and the ability of management to develop and maintain successful business enterprises; (iii) general economic conditions; and (iv) the ability of the Underlying Funds, Private Funds, and Separate Accounts to liquidate their investments.

**Illiquid Investment.** There can be no assurances that PPFA will be able to sell or otherwise dispose of an investment at a time that PPFA considers to be economically opportune or at all. An investment in the Private Funds or Separate Account may be illiquid, have limited redemption rights and there may be significant restrictions on transferring interests. There is no secondary market for an investor's interest in the Private Funds and none is expected to develop.

**Reliance on Unaffiliated Managers.** The Underlying Funds in which PPFA invests on behalf of its clients are managed by Managers unrelated to PPFA. The returns achieved by the Private Funds and Separate Accounts thus will depend in large part on the efforts and performance results obtained by the Managers. PPFA will attempt to evaluate each proposed Underlying Fund based on its investment portfolio at the time of investment from available information, such as the performance history of the Underlying Fund and the investment strategies of the Underlying Fund. Past performance may not, however, be a reliable indicator of future results, and Managers, investment management personnel and investment strategies of any Underlying Fund may change without the consent of PPFA.

**Securities, Futures and Derivatives Selection Risk.** Securities, futures, and derivatives may not perform to expectations. This could result in the underperformance of a Private Fund or Separate Account compared to other accounts with similar investment objectives.

**Market Risk.** Market risks can affect the value of securities, futures, and derivatives. These risks include political, regulatory, market and economic developments, including developments that impact specific economic sectors, industries, or segments of the market. There is a risk that the lack of liquidity or other adverse credit market conditions may hamper the ability to purchase and sell certain securities.

**Market Events.** Turbulence in financial markets and reduced liquidity in credit and fixed income markets may negatively affect many issuers worldwide, which may have an adverse effect on investments held by a Private Fund or Separate Account.

**Counterparty Risk.** The credit risk of a counterparty can affect the value of futures and

derivatives. The counterparty for futures transactions and certain over-the-counter transactions is a clearinghouse. The clearinghouse reduces its risk to market participants with initial margin requirements and rules for liquidating positions if a participant fails to post required margin. Over-the-counter transactions are agreements between a client and counterparty that may not currently trade, settle or clear on an exchange or through a clearinghouse. As such, the client is at risk to the counterparty. PPFA seeks to mitigate counterparty risks by including certain protections in counterparty agreements including collateral arrangements.

**High Portfolio Turnover Risk.** Portfolio turnover is a measure of trading activity over a one-year period. A portfolio turnover rate of 100% would indicate that a client account sold and replaced the entire value of its securities holdings during the period. High portfolio turnover could increase transaction costs and possibly have a negative impact on performance.

**Arbitrage Risk.** A client account that invests in securities purchased pursuant to an arbitrage strategy to take advantage of a perceived relationship between the values of two securities presents certain risks. Securities purchased or sold short pursuant to an arbitrage strategy may not perform as intended, which may result in a loss to the client account.

**Derivatives Risk.** Derivatives are financial contracts whose value depend on, or are derived from, the value of an underlying asset, reference rate or index. A variety of derivatives may be available to a Private Fund or Separate Account, depending on the relevant investment guidelines. In implementing certain investment strategies, PPFA and/or the Underlying Funds may use derivatives as a substitute for taking a position in the underlying asset and/or as part of a strategy designed to reduce exposure to other risks. PPFA and/or the Underlying Funds may also use derivatives for leverage, in which case their use would involve leveraging risk. A Private Fund or Separate Account's use of derivative instruments involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. Derivatives are subject to many risks such as liquidity risk, market risk and management risk. They also involve the risk of mispricing or improper valuation and the risk that changes in the value of the derivative may not correlate perfectly with the underlying asset, rate, or index. A client's investments in commodity-linked derivative instruments may subject the client to greater volatility than investments in traditional securities. The value of commodity-linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. Because a Private Fund or Separate Account may concentrate assets in a particular sector of the commodities market (such as oil, metal, or agricultural products), it may be more susceptible to risks associated with those sectors. A client investing in a derivative instrument could lose more than the principal amount invested. Also, suitable derivative transactions may not be available in all circumstances and there can be no assurance that PPFA or the Underlying Funds will engage in these transactions to reduce exposure to other risks or otherwise when doing so would be beneficial for a Private Fund or Separate Account.

**Non-U.S. Investments.** Certain Underlying Funds or co-investments are formed or have significant exposure to entities whose principal executive offices or corporate headquarters are outside the United States. Investing in non-U.S. securities can involve greater risks than investing in U.S. securities. The value of investments in non-U.S. securities is affected by changes in currency exchange rates, which can be volatile, and non-U.S. investments are subject to additional regulatory and tax risks. There can be no assurance that PPFA will be able to evaluate these risks or that adverse developments with respect to such risks will not adversely affect the value or realization of non-U.S. investments.

**Economic and Market Conditions Risks.** The success of Private Fund and Separate Account activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of the Underlying Fund investments), trade barriers, currency exchange controls, sovereign economic activity and financial regulation, and national and global international events political circumstances (including wars, pandemics, natural disasters, terrorist acts or security operations). These factors may affect the level and volatility of financial instruments' prices and the liquidity of the investments. Volatility or illiquidity could impair a Private Fund or Separate Account's profitability or result in losses. A Private Fund or Separate Account may maintain substantial trading positions that can be adversely affected by the level of volatility in the financial markets — the larger the positions, the greater the potential for loss. The economies of foreign countries including the European Union and Japan may differ favorably or unfavorably from the U.S. economy in such respects as growth of gross domestic product, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and balance of payments position. Further, certain foreign economies are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of certain foreign countries may be based, predominantly, on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation.

**Potential Public Health Crisis.** A public health crisis, pandemic, epidemic or outbreak of a contagious disease, such as the outbreak of Coronavirus (or Covid-19), may have an adverse impact on global, national and local economies, which in turn could negatively impact PPFA and its 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 the client's investments. The imposition of travel restrictions may impact the ability of PPFA's personnel to travel in connection with potential or existing investments and could negatively impact the ability of PPFA to effectively identify, monitor, operate and dispose of investments. 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 could have material and adverse impact on client returns. The impact of a public health crisis such as the Coronavirus (or any future pandemic, epidemic or outbreak of a contagious disease) is difficult to predict, which presents material uncertainty and risk with respect to the client performance.

**Cybersecurity Risks.** PPFA, its affiliates, and its respective service providers are susceptible to cybersecurity risks that include, among other things, theft, unauthorized monitoring, release, misuse, loss, destruction or corruption of confidential and highly restricted data; denial of service attacks; unauthorized access to relevant systems, compromises to networks or devices that PPFA, its affiliates, and its service providers use to service the Underlying Funds' operations; or operational disruption or failures in the physical infrastructure or operating systems that support PPFA, the Underlying Funds and their service providers. Cyber-attacks against or security breakdowns of PPFA, the Underlying Funds or their service providers may adversely impact the Underlying Funds and their investors, potentially resulting in, among other things, financial losses; the inability of PPFA or the investors to transact business and the Underlying Funds to process transactions; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs; and/or additional compliance costs. PPFA and/or its Underlying Funds may incur additional costs for cybersecurity risk management and remediation purposes. In addition, cybersecurity risks may also impact issuers of securities in which the Underlying Funds invest, which may cause an Underlying Fund's investment in such issuers to lose value. There can be no assurance that PPFA, its Underlying Funds or its service providers will not suffer losses relating to cyber-attacks or other information security breaches in the future.

**Item 9.            Disciplinary Information**

PPFA and its supervised persons have not been the subject of any material legal or disciplinary proceeding required to be disclosed in response to this item.

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

PPFA is an indirectly wholly owned subsidiary of Pacific Life. Through its direct and indirect subsidiaries, Pacific Life is engaged in a wide variety of insurance, financial services, and other investment-related businesses. PPFA manages assets for Pacific Life and its affiliates. Pacific Life is an investor in the Private Funds.

PPFA has various financial industry affiliations that may be significant to its clients.

Pacific Life Fund Advisors LLC, a registered investment adviser and a wholly owned subsidiary of Pacific Life, is the investment adviser and/or sub-adviser to and is compensated for various services provided to registered U.S. funds and privately placed pooled investment vehicles.

Pacific Asset Management LLC, a registered investment adviser and an indirect wholly owned subsidiary of Pacific Life, is the investment adviser and/or sub-adviser to and is compensated for various services provided to institutions, mutual funds, exchange traded funds and privately placed pooled investment vehicles.

Pacific Global Advisors LLC, a registered investment adviser and a wholly owned subsidiary of Pacific Life, is the investment adviser to and is compensated for various investment advisory

and supervisory services to exchange traded funds.

Pacific Select Distributors, LLC, a limited purpose broker-dealer, is a wholly owned subsidiary of Pacific Life that serves as the underwriter and distributor of registered funds and variable products offered by Pacific Life and its affiliates.

Pacific Life Insurance Company is a life insurance company licensed in the state of Nebraska. Pacific Life provides a wide range of life insurance products, annuities, and offers a variety of investment products and services to individuals and institutions in all states except New York. Pacific Life & Annuity Company is a life insurance company licensed in the state of New York. Each is an indirect subsidiary of Pacific Mutual Holding Company, which is a mutual insurance holding company whose members are the policyholders and contract holders of Pacific Life and Pacific Life & Annuity Company.

Pacific Life typically serves as administrator to the Private Funds. For administrative services to the Private Funds, Pacific Life generally is paid a fee ranging from 0.025% to 0.04% per annum of a Private Fund's aggregate commitments. The administration agreements were not negotiated at an arm's length; however, they are filed with the Nebraska Department of Insurance ("NE DOI") (the state in which Pacific Life is licensed as an insurance company) for non-disapproval. The NE DOI reviews each agreement between Pacific Life and the Private Funds to ensure that the transaction is fair and reasonable to the interests of Pacific Life and that fees for services provided are reasonable.

PPFA may perform advisory services for client accounts and vehicles with investment objectives and policies similar to one another.

PPFA serves as investment adviser to the Private Funds. Certain personnel of PPFA act as officers, directors, or authorized persons of the Private Funds and/or the general partners of the Private Funds. PPFA is the sole member of the general partners of the Private Funds and as such has an apparent conflict of interest between its fiduciary duty to each fund as investment manager and its selection of itself as the investment manager. The investment management agreements were not negotiated at arm's length.

PPFA has arrangements which are material to its advisory business with Pacific Life and its affiliates. PPFA, or its personnel, provide investment advisory services to Pacific Life and its affiliates. In addition, Pacific Life provides certain services to PPFA and the Private Funds including treasury functions.

PPFA has a business relationship with an affiliate of a Private Fund limited partner. The limited partner affiliate is a secondary advisor that provides liquidity solutions for private fund managers and institutional investors in private equity investments. From time to time, PPFA may recommend that its clients purchase secondary investments brokered or agented by the limited partner affiliate. PPFA and PPFA's supervised persons do not receive an economic benefit from this business relationship.

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

**Code of Ethics**

PPFA strives to adhere to the highest industry standards of conduct based on principles of professionalism, integrity, honesty and trust. In seeking to meet these standards, PPFA designed and adopted a code of ethics (the "**Code of Ethics**"). The Code of Ethics incorporates the following general principles that all employees are expected to uphold:

- Employees must always place the interests of PPFA's clients first.
- All personal securities transactions must be conducted in a manner consistent with the Code of Ethics and any actual or potential conflicts of interest must be mitigated or any abuse of an employee's position of trust and responsibility must be avoided.
- Employees must not take any inappropriate advantage of their positions.
- Information concerning the identity of securities and financial circumstances of the Underlying Funds, including the Underlying Funds' investors, must be kept confidential.
- Independence in the investment decision-making process must always be maintained.

The Code of Ethics also contains controls implemented by PPFA to monitor and mitigate potential conflicts of interest, including specific policies to address, among other things, the prevention of insider trading. Additionally, PPFA is subject to a code of conduct ("**Code of Conduct**") and additional policies and procedures designed to address and mitigate potential conflicts of interest with respect to outside business activities, restrictions on the acceptance or offer of gifts and entertainment and the pre-clearance and reporting of political contributions.

All PPFA supervised persons are required to promptly report all suspected or apparent violations of the Code of Ethics to PPFA's Chief Compliance Officer ("**CCO**"). All supervised persons must acknowledge receipt of the Code of Ethics and any amendments thereto.

The Code of Ethics contains policies and procedures with respect to personal securities transactions by employees and related accounts that are designed to prevent the misuse of inside information and other improper activities. Employees must report personal transactions in reportable securities to the CCO (or a designee) on at least a quarterly basis. The CCO (or a designee) monitors all transactions by employees in order to identify violations of the Code of Ethics, any pattern of conduct that may evidence conflicts or potential conflicts with the principles and objectives of the Code of Ethics, or other inappropriate behavior.

PPFA will provide a complete copy of its Code of Ethics to any client or prospective client upon request.

## **Participation or Interest in Client Transactions: Personal Trading**

As the managing member of the general partner of the Private Funds and investment manager of the Private Funds, PPFA and its related persons have an indirect beneficial interest in the Private Funds and will share in any profits and losses generated by the Private Funds. In certain situations, related persons of PPFA may purchase interests in a security that is also held by one of the Private Funds, including an Underlying Fund. All such transactions are subject to compliance with PPFA's Code of Ethics.

**Participation on Advisory Boards.** As part of the investment management services PPFA provides to its investors, individual representatives of PPFA often serve on the advisory boards of the Underlying Funds. The typical functions of these advisory boards include reviewing and/or approving certain activities by an Underlying Fund or its general partner. While PPFA believes that its services on these advisory boards benefit its investors by allowing it to monitor the activities of the Underlying Funds more effectively, its participation on these advisory boards could create certain theoretical conflicts of interest. For example, PPFA could theoretically use its participation on advisory boards to vote to approve certain investment activity by an Underlying Fund that would not be in the best interest of PPFA's investors (such as an investment in a portfolio company in which another Private Fund or Separate Account has invested).

PPFA's policy regarding advisory board membership is that it will participate on such boards only in a manner that is consistent with its duties to its clients. Specifically, as with all situations involving a potential conflict of interest, PPFA (1) seeks to use its position on advisory boards in a manner that is in the best interests of its clients and (2) does not use its position on an advisory board to further its own interests in a manner adverse to its clients.

**Use of Placement Agent.** PPFA engages a placement agent in respect of certain of its offerings to prospective investors in its Private Funds. Any such placement agent will act for PPFA and not as an investment adviser to prospective clients in connection with the offering. Prospective investors are made aware that any placement agent is paid a placement fee based on the amount of commitments to PPFA by investors that such placement agent introduces to PPFA. At various times, such placement agent may act as placement agent for other fund-of-funds sponsors and funds, including fund-of-funds sponsors and funds not affiliated with PPFA, which may offer interests that are similar to those offered by PPFA. Such unaffiliated fund sponsors may pay placement fees on terms different from the fees placement agents may receive in respect of a commitment to PPFA, and such differences in fees may influence a placement agent's decision to introduce prospective investors to PPFA.

## **Item 12. Brokerage Practices**

PPFA uses brokers to liquidate any exchange-traded securities distributed in-kind to PPFA's clients from Underlying Funds or co-investments in which its clients are invested. These sales may be executed in one block or in several smaller blocks, depending on the size of the holding and the potential impact of its sale on the market price. PPFA may also have the ability to select

a broker when an Underlying Fund or co-investment offers to assist in the liquidation of securities that would otherwise be distributed in-kind to PPFA's clients. In each case, PPFA seeks to obtain best execution by considering all relevant facts and circumstances, including the price and size of the order, the trading characteristics of the securities involved, the value of research provided by each broker, the broker's execution abilities, commission rates, and financial responsibility and responsiveness. The applicability of specific criteria will vary depending upon the nature of the transaction, the market in which it is executed, and the extent to which it is possible to select from among multiple brokers or dealers.

### **Research and Soft Dollar Benefits**

PPFA does not have any soft dollar arrangements with broker-dealers and does not direct client transactions to particular broker-dealers in return for soft dollars.

### **Brokerage for Client Referrals**

PPFA does not consider whether it will receive client referrals from a broker-dealer when selecting or recommending broker-dealers.

### **Directed Brokerage**

PPFA does not permit investors to direct their transactions to particular broker-dealers.

### **Trade Aggregation**

PPFA may place a combined order for two or more advisory clients engaged in the purchase or sale of the same security if, in its good faith determination, joint execution would be consistent with its duty to seek best execution, consistent with the terms of the participating clients' Governing Documents, and otherwise in the best interests of its clients.

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

### **Review of Client Accounts**

The portfolio managers of PPFA monitor client transactions to ensure that they are implemented on behalf of each client consistent with such client's investment objectives and guidelines. Active monitoring facilitates the identification and resolution of potentially detrimental issues such as alignment changes, strategy drift, loss of key team members and proposed changes in partnership agreements.

### **Reports to Clients**

PPFA provides its clients (and investors in the Private Funds) with quarterly and annual written reports regarding their private market fund investments. The quarterly reports generally contain summary financial and other information for the fiscal quarter. The Private Fund investors receive annual reports which generally contain audited financial statements of

the Private Fund and an annual report providing a description of the Private Fund's investments as of the end of the fiscal year.

Please refer to the Governing Documents of the Private Fund for further information on the reports provided by the Private Fund to its investors.

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

**Economic Benefits Received from Third Parties**

PPFA does not receive any economic benefits from third parties in connection with its advisory services.

**Third Party Compensation for Client Referrals**

PPFA has entered into compensation arrangements with, and has previously compensated, third party marketing firms for introducing investors to the Private Funds. As of the date of this Brochure, none of the Private Funds are accepting subscriptions from outside investors.

Any compensation associated with client referrals are payable by PPFA and/or its related persons, either directly or through an offset of the advisory or management fee payable by the Private Fund to PPFA and are not paid by the Private Funds or investors in the Private Funds. An investor in the Private Funds will not be charged any additional amount or bear any additional charges as a result of an introduction through a third-party marketer, broker or other affiliated or unaffiliated party.

**Item 15. Custody**

PPFA is deemed to have custody of the assets of each Private Fund due to its role as general partner or managing member, as well as its ability to cause the payment of expenses or fees from such funds.

Pursuant to the Rule 206(4)-2 under the Advisers Act (the "**Custody Rule**"), PPFA will maintain client assets and securities with a broker-dealer, bank, or other qualified custodian and (i) cause the Private Funds to distribute audited financial statements, prepared in accordance with U.S. generally accepted accounting principles ("**GAAP**") and audited by an accountant subject to regular inspection by the Public Company Accounting Oversight Board, to investors annually and no later than 120 days after the end of each fiscal year (180 days for any Private Fund that is a "funds of funds" or 260 days for any Private Fund that is a "fund of funds" investing in unaffiliated "fund of funds") as defined by the Custody Rule, and (ii) upon the final liquidation of a Private Fund, obtain a final audit and distribute audited financial statements prepared in accordance with GAAP to all investors promptly after completion of the audit.

**Item 16.      Investment Discretion**

Subject to the investment objectives, policies, and restrictions of a client account, PPFA has discretionary authority to determine the type, amount and price of securities and investments to be bought and sold on behalf of the Private Funds and Separate Accounts. In the case of the Private Funds, this may include the selection of, and commissions paid to, broker-dealers. PPFA generally enters into a written management agreement with each client granting such authority.

In accordance with common industry practice, a Private Fund or its general partner may enter into “side letters” or similar agreements with certain investors pursuant to which the general partner grants the investor specific rights, benefits, or privileges that are not made available to investors in the Private Fund generally, including fee discounts. These agreements generally will be disclosed only to those actual or potential investors in the Private Fund that have separately negotiated with the general partner of the Private Fund for the right to review these agreements.

**Item 17      Voting Client Securities**

As a result of the investment strategies pursued by the Private Funds and Separate Accounts, it is unlikely that PPFA will receive any proxies from publicly traded companies.

If PPFA is required to vote proxies, PPFA will vote proxy proposals, consents or resolutions relating to client securities (collectively, “proxies”), in a manner that serves the best interests of the client accounts it manages. Best interest will be determined by PPFA in its discretion, taking into account relevant factors, including, but not limited to: (i) the impact on the value of the securities; (ii) the anticipated costs and benefits associated with the proposal; (iii) the effect on liquidity; and (iv) customary industry and business practices.

PPFA has adopted policies and procedures regarding the voting of proxies as required under Rule 206(4)-6 under the Advisers Act. These policies and procedures are designed to ensure that proxies received with respect to securities in client accounts for which PPFA exercises voting discretion are voted in the best interests of its clients and that PPFA maintains records of its proxy voting in compliance with the Advisers Act.

Unless otherwise instructed by a client, PPFA will vote client proxies consistent with guidelines that PPFA has adopted and that PPFA believes reflect the best interests of its clients, after taking into consideration all relevant facts and circumstances at the time of the vote.

PPFA will provide to any client or prospective client at no cost a copy of its voting policies and procedures and information regarding how its client’s proxies have been voted in the past.

While PPFA does not vote proxies in the traditional sense, we are asked by Underlying Funds from time to time to (i) approve amendments to the partnership agreements or other charter documents, (ii) approve amendments or waivers to side letters, and (iii) vote on

specific matters as a limited partner of a limited partnership. We may also be asked for other approvals or waivers in connection with the Underlying Funds.

As a general policy, with respect to Underlying Fund investments of the Private Funds and Separate Accounts, when PPFA is required to (i) approve amendments to the partnership agreements or other charter documents, (ii) approve side letters or amendments or waivers to side letters, or (iii) vote on specific matters as a limited partner of a limited partnership, (collectively, “consents and approvals”), PPFA will vote or approve changes, amendments, consents or resolutions relating to an Underlying Fund, in a manner that serves the best interests of the Private Fund and/or Separate Account. Best interest will be determined by PPFA in its discretion, taking into account relevant factors, including, but not limited to: (i) the impact on the value of the securities of the Underlying Fund; (ii) the anticipated costs and benefits associated with the proposal; (iii) the effect on liquidity; and (iv) customary industry and business practices.

**Item 18.      Financial Information**

PPFA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.

**Item 19.      State Registered Advisers**

Not applicable.