

HarbourView Equity Partners, LLC

(Legal Name: HV ManCo, LLC)

Firm Brochure

**110 Edison Place
Newark, New Jersey, United States, 07102
(973) 329-0285**

November 23, 2021

This brochure provides information about the qualifications and business practices of HarbourView Equity Partners, LLC (“HVEP”). If you have any questions about the contents of this brochure, please contact The Chief Compliance Officer at (973) 329-0290. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Any reference to HVEP as a registered investment adviser does not imply a certain level of skill or training.

Additional information about HVEP also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2: Material Changes

This update, from September 9, 2021, is to reflect a change in HVEP's regulatory assets under management.

Item 3: Table of Contents

	Page
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.....	5
Item 6: Performance-Based Fees and Side-by-Side Management.....	7
Item 7: Types of Clients.....	8
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss	9
Item 9: Disciplinary Information	13
Item 10: Other Financial Industry Activities and Affiliations	14
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	15
Item 11: Brokerage Practices	17
Item 13: Review of Accounts	18
Item 14: Client Referrals and Other Compensation.....	19
Item 15: Custody.....	20
Item 16: Investment Discretion.....	21
Item 17: Voting Client Securities	22
Item 18: Financial Information	23

Item 4: Advisory Business

HV ManCo, LLC - doing business as HarbourView Equity Partners, LLC (“HVEP”) is a Delaware limited liability company with its principal place of business in New Jersey. HVEP was formed in 2020 and commenced investment advisory operations in 2021. HVEP was founded by its principal owner, Sherrese Clarke Soares, who is HVEP’s managing member. Ms. Clarke Soares wholly owns HVEP indirectly through a limited liability company.

HVEP provides discretionary investment advisory services to private funds together with a series of parallel investment vehicles (collectively, the “Fund”). The Fund is being formed to invest in interests of media-related investment opportunities which are powered by intellectual property. HVEP is responsible for determining the specific securities and other investments to be bought and sold and for arranging the execution of all purchase and sale orders on behalf of the Fund,

HVEP advisory services will be provided to the Fund pursuant to the terms of the Fund’s private placement memorandum, operating agreement, limited partnership agreement, and/or investment management agreement, as applicable (collectively, the “Governing Documents”) and based on the specific investment objectives and strategies as disclosed therein. Please refer to Item 8 methods of analysis, investment strategies and risks of loss.

Ms. Clarke Soares and her team intend to leverage their deep networks in the music and entertainment industry with the goal of providing access to proprietary opportunities and enhancing HVEP’s ability to create value for the Fund. HVEP seeks to capitalize on the team’s combination of music industry, institutional investment, and finance experience to distinguish itself in this dynamic asset class.

The Fund has an investment committee that is currently consists of Ms. Clarke Soares and members of her senior leadership team including the Managing Director, Head of Investments; the Managing Director, Head of Data Analytics; and the Managing Director, COO. Investment committee membership may change from time to time.

HVEP’s investment management services will be provided to the Fund on a discretionary basis. HVEP generally does not permit investors in the Fund to impose limitations on the Fund’s investment activities. Under certain circumstances, HVEP will contract with an investor to adhere to limited risk and/or operating guidelines imposed by such investor. HVEP will negotiate such arrangements on a case by case basis.

HVEP does not participate in wrap fee programs.

The amount of client regulatory assets that we advise on a discretionary basis, as of October 27, 2021, is \$200,000,000.

Item 5: Fees and Compensation

HVEP is compensated through management and performance fees or allocations which are described in its advisory contracts with the Fund.

As described in more detail in the Governing Documents, a management fee (the “Management Fee”) may be paid out of current income and disposition proceeds of the Fund and, to the extent necessary, from drawdowns of capital which will reduce the remaining commitments. Any amount drawn down from commitments to pay the Management Fee may, to the extent limited partners receive subsequent distributions, be added to the unfunded commitments and be subject to recall.

Generally, HVEP deducts the Management Fee by instructing the Fund’s administrator and/or custodian.

The Fund will bear all reasonable legal and other organizational and offering expenses incurred in the formation of, and the offering of interests in, the Fund and related entities, up to an amount discussed in the Governing Documents, including, without limitation, legal fees and expenses, the cost of producing and distributing offering documents, any related marketing materials, printing and mailing costs, filing fees and expenses, marketing and roadshow expenses and any other expenses related to the foregoing. Expenses in excess of the limits delineated in the Governing Documents will be borne by HVEP through a 100% offset against the Management Fee. All fees and expenses due to placement agents will not be subject to the limitation set forth above, and such fees and expenses will not reduce the Management Fee otherwise payable by the Fund’s limited partners.

Any amount drawn from commitments to pay expenses may, to the extent the Fund’s limited partners receive subsequent distributions, be added to the unfunded commitments and be subject to recall.

Each limited partner in the Fund will be solely responsible for all its own legal and tax counsel expense and any out-of-pocket expenses incurred in connection with its subscription or the maintenance of its interest in the Fund.

HVEP will pay all its ordinary administrative and overhead expenses in managing investments, including salaries, benefits, rent and the cost of office equipment and utilities.

As discussed here and in the Governing Documents, each Fund will pay directly, or reimburse such Fund’s general partner (“General Partner”)(an entity controlled and owned by HVEP) and HVEP for, all expenses related to its activities (including the fees and expenses of any affiliate of the General Partner or HVEP performing such functions in lieu of third-party service providers) including: (i) expenses incurred in connection with the evaluation, acquisition and disposition of investments, including sales commissions, any expenses relating to unconsummated investments, appraisal fees, taxes, brokerage fees, underwriting commissions and discounts, and legal, accounting, investment banking, consulting, information services and professional fees; (ii) private placement fees incurred in connection with marketing the Fund, including all fees and expenses under any placement agent agreement, (iii) expenses incurred in connection with the carrying or

management of investments, including custodial, trustee, record keeping and other administration fees; (iv) expenses incurred in connection with the Fund's financial statements, tax returns and K-1s; (v) attorney's and accountant's fees and disbursements in connection with investments or the operation of the Fund; (vi) taxes and other governmental charges levied against the Fund; (vii) insurance, regulatory or litigation expenses (and damages), including regulatory expenses of the General Partner and HVEP related to its registration under and compliance with the Investment Advisers Act of 1940, as amended (the "Advisers Act"); (viii) expenses incurred in connection with the winding up or liquidation of the Fund; (ix) expenses relating to defaults by the Fund's limited partners in the payment of any capital contributions; (x) out-of-pocket expenses for transactions not consummated; (xi) expenses incurred in connection with any restructuring or amendments to the constituent documents of the Fund and related entities, including the General Partner and HVEP; (xii) expenses incurred in connection with the formation of parallel investment entities and alternative investment vehicles (as discussed in Governing Documents) to the extent permitted under the Governing Documents; (xiii) loan servicing expenses; (xiv) expenses incurred in connection with distributions to the Fund's limited partners and in connection with any meetings with limited partners called by the General Partner and any meetings of the Fund's advisory committee (defined in the Governing Documents); (xv) any tax, audit, investigation, settlement or review with respect to the tax obligations of the Fund; (xvi) costs, fees and expenses associated with any financing facility of the Fund (whether or not such financing is ultimately utilized by the Fund) and any amounts paid by any affiliate of the General Partner or HVEP on behalf of the Fund's limited partners. and costs, fees and expenses associated therewith (including, without limitation, any interest expense related thereto); (xvii) computer software, licensing, programming and operating expenses and data processing costs; and (xviii) operating expenses, excluding any administrative and overhead expenses, of the General Partner and HVEP that, in the good faith judgment of the General Partner, are attributable to the Fund.

HVEP reserves the right to vary the fees as to particular investors by separate agreement and to reduce or waive any fees at any time without entitling any other investor to a waiver or reduction. HVEP may waive or reduce the fee for its own capital and that of its constituent partners, affiliates, and employees, and family members of the foregoing.

Investors should refer to the Fund's Governing Documents for a detailed discussion on the fees and expenses paid by the Fund.

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

The General Partner and the Related Limited Partners' proportionate shares of net proceeds attributable to the disposition of an investment and any dividends or interest income with respect to such investment (in each case based on its capital contributions made in respect of such investment described in Governing Documents) will be distributed to the General Partner and the Related Limited Partners. "Related Limited Partner" shall mean any limited partner that is an employee of or partner or related person of HVEP or the General Partner.

Each of the Fund's limited partners' proportionate share of net proceeds attributable to the disposition of an investment and any dividends or interest income with respect to such investment (in each case based on its capital contributions made in respect of such investment) will be distributed to such limited partner and the General Partner in varying rates as described in the Governing Documents. Distributions to the General Partner at varying rates produces a "carried interest."

The fact that HVEP will be compensated based on investment proceeds may create an incentive for HVEP to make investments, on behalf of the Fund, that are riskier or more speculative than would be the case in the absence of such compensation. Further, it is important to note that a conflict of interest may exist as HVEP may have an economic incentive to allocate potentially more favorable investment opportunities to accounts that have a performance-based fee structure, to the extent that HVEP provides advisory services to multiple clients in the future. To address this risk, HVEP will adopt policies and procedures to ensure that investment opportunities are allocated among eligible clients fairly and equitably over time.

Upon dissolution of the Fund and distribution of its remaining assets, the General Partner will be required to restore funds to the Fund for distribution to the limited partners and the General Partner (up to the amount of its cumulative net after-tax carried interest) to the extent, if any, that the amount previously distributed to the General Partner as its carried interest exceeds the aggregate amount due the General Partner as its carried interest on a cumulative basis. To the extent that the assets of the General Partner are insufficient to satisfy such obligations, the members of the General Partner will be severally (but not jointly) liable for such insufficiency *pro rata* to their interests in the General Partner. This generally referred to as a "clawback" provision.

The General Partner, the Fund or any of their respective affiliates may enter into side letters or other similar agreements with a limited partner without the approval of the other limited partners, which may have the effect of establishing rights under, or altering or supplementing the terms of, the applicable Partnership Agreement with respect to such limited partner in a manner more favorable to such limited partner than those applicable to other limited partners. Any rights or terms so established in a side letter or other similar agreement with a limited partner will govern solely with respect to such limited partner, and the specific terms of any such side letter or agreement will not be disclosed to other limited partners unless the General Partner, in its discretion, determines otherwise.

Item 7: Types of Clients

HVEP provides investment advisory services to the Fund as described in Item 4. All Fund investors are “accredited investors” as defined under Rule 501 of Regulation D of the Securities Act of 1933, as amended and “qualified clients” as defined under Rule 205-3 of the Advisers Act. In addition, the Fund can limit the sale of interests to investors who are “qualified purchasers” as defined under the Investment Company Act of 1940, as amended.

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

HVEP will invest primarily in media and entertainment opportunities, including royalties, interests in royalties and intellectual property media and entertainment assets.

HVEP, in accordance with normal investment portfolio management practices, will endeavor to ensure that the media assets acquired have proper management to maximize returns. This includes monitoring portfolio returns with real-time performance data and managing investments within the portfolio to maximize returns.

HVEP plans to leverage long-tenured relationships in the media space in order to source and pursue premium content at attractive valuations through differentiated structuring. The members of the investment committee of the Fund have significant experience in media and finance, which HVEP believes positions it to source, optimize, and execute top tier opportunities. In this way, HVEP plans to aggregate a fragmented and difficult asset class to offer investors diversification and non-correlated risk at scale.

HVEP believes that intellectual property related to media and entertainment content is a highly-leverageable asset class. HVEP will endeavor to seek efficient financing at the asset level to increase leverage and buying power while endeavoring to maximizing returns, using individually, or in combination (1) first lien debt, (2) second lien debt and (3) bonds.

Certain Risk Factors

An investment in the Fund involves certain risks and other considerations and, therefore, should be undertaken only by investors capable of evaluating the risks of such investment. The Fund is designed for investors that are sophisticated and have the skill to carefully consider the following risk factors, in addition to the matters set forth Governing Documents. The following list is not a complete list of all risks and other considerations that may be involved in connection with an investment in the Fund. There can be no assurance that the Fund will be able to achieve its investment objectives or that the investors will receive any return on, or recovery of, their capital. As such, the investments involve a high degree of business and financial risk and can result in substantial loss. HVEP may add, modify and/or remove investment strategies at any time pursuant to the Governing Documents.

Nature of Private Investment

Investment in the Fund requires a long-term commitment, with no certainty of return. Identifying potentially profitable investments is a difficult task. The assets in which the Fund will invest may involve a high degree of risk. Such assets may face intense competition, including competition from companies with greater financial resources, more extensive development, marketing and service capabilities, and a larger number of qualified managerial and technical personnel. Many of the Fund's investments will be highly illiquid, and there can be no assurance that the Fund will be able to realize a return on such investments in a timely manner, if at all. There will likely be no near-term cash flow available to investors. Since the Fund may only make a limited number of investments and since many of the Fund's investments may involve a high degree of risk, poor

performance by a few of the investments could severely affect the total returns to investors. Investments in the Fund are not insured by the Federal Deposit Insurance Corporation or the Securities Investor Protection Corporation. Additionally, it should be noted that past performance is not a guarantee of future results.

The Fund's Lack of Operating History

Although HVEP and members of the investment committee have extensive experience in making investments, the Fund has no operating history. Investors should take into account that HVEP has not previously managed third party investment vehicles.

Liquidity Factors

Lacking a public market and restrictions on transfer of the Fund's interests, investment in the Fund is illiquid for investors who are willing to hold their interests for the term of the Fund and who understand that they may lose all or a significant portion of their invested capital. Capital commitment obligations (discussed in the Governing Documents) will be outstanding for a number of years, and capital and profits, if any, from investments will generally be realized upon the partial or complete disposition of an investment. The Fund will generally expect to hold or remain committed with respect to investments for a number of years. In addition, in some cases, the Fund may be prohibited by contract from selling, transferring or otherwise liquidating its investments for a period of time.

Availability of Investments

HVEP's success depends largely on the ability to source, screen, select, win bids and make investments that it believes meet the investment strategy, guidelines and policies of the Fund. The availability of such opportunities will depend upon (among other things) financial, market, business and economic conditions.

Although HVEP believes that suitable opportunities consistent with the Fund's investment objectives currently exist, there can be no assurance that HVEP will be able to identify and consummate a sufficient number of opportunities to permit the Fund either to invest any or all of the capital commitments, or to diversify the investments, even to the limited extent described herein.

In addition, investments made by the Fund are likely to be concentrated in a limited number of investments, especially during the early stages when the ability to diversify is restricted by having a limited number of actual investments. A consequence of a limited number of investments would be that the aggregate return realized the Fund may be substantially adversely affected by the unfavorable performance of even one investment.

Partial Ownership of Intellectual Property

The Fund's ability to monetize the acquired assets may be limited by the scope of rights owned in each investment. Acquired investment opportunities often have multiple owners of a percentage share of the underlying intellectual property. Certain licensing arrangements may be subject to the express approval of all owners. In such cases, the Fund may not be able to obtain revenue from certain possible licensing opportunities because some portion of the rights necessary to enter into such arrangements are held by other individuals or entities outside of our control who may choose not to consent to such exploitations.

Uncertainty of Individual Film, Television and Other Media Distribution and Performance

The success of individual film, television and other media is unpredictable and may vary significantly. While the Fund seeks to acquire assets relating to a broad portfolio of entertainment intellectual property and other media rights the period-to-period performance may fluctuate significantly corresponding to the performance of such media. Furthermore, the results of any one period may not be indicative of the results for any future period.

Reliance on Third Party Distributors

Distribution of the Fund's intellectual property investments will be handled by third party distributors. The successful distribution of media content is subject to numerous uncertainties, including risks associated with the chosen release schedule, marketing strategies, competition from other forms of content and corresponding competition for consumers. Performance of film, television and other media programs is also subject to the competition from other forms of entertainment and leisure activities at any particular time. The ability to successfully distribute films, television and other media content will depend on the capabilities of each respective distributor, but may be impacted by uncertainties beyond control of the distributor. There can be no assurance that the third parties will successfully distribute the Fund's content.

Music Publishing Trends

There is significant uncertainty as to the nature and scale of the future development of the music industry, especially in light of digital access to music and increased use of streaming services. As such, it is not certain that current royalty income sources will be maintained or replaced with other income sources of a similar value.

Competition

The Fund may be competing for investments against other groups, including private equity investment and "hedge" funds, industry participants such as film studios, publishers, labels, large and well-capitalized companies, and other investors, some of which will have greater resources than the Fund. It is possible that competition for appropriate investment opportunities may increase, thus reducing the number of opportunities available and adversely affecting the terms upon which investments can be made.

Cybersecurity Risks

The operations of the General Partner and HVEP rely on the secure processing, storage and transmission of confidential and other information in its computer systems and networks and the computer systems and networks of service providers. Although the General Partner and HVEP take protective measures, and it is expected that service providers would take protective measures, their respective computer systems, software and networks may be vulnerable to unauthorized access, theft, misuse, computer viruses or other malicious code and other events that could have a security impact. If one or more of such events occur, the investors' confidential information processed and stored in, and transmitted through their respective computer systems and networks could be jeopardized.

Pandemics and COVID-19

Pandemics, depending on their scale, may cause different degrees of damage to global, national and local economies. COVID-19 (also known as novel coronavirus) presents unique, rapidly changing and hard to quantify risks. In general, it has resulted in a significant reduction in commercial activity on a global scale that has adversely impacted many businesses. Governments, on the national, local and state level, are instituting and revising a variety of measures including lockdowns, quarantines and states of emergencies, which collectively may continue to slow the global economy to the point where it enters a recession.

Although there is reason to believe that the COVID-19 outbreak may be contained over a reasonable period of time, there can be no assurance this will be the case and, in the meantime, global equity, bond and credit markets may be adversely affected. Such disruption may adversely affect Fund returns, operating results and financial condition.

It is reasonable to anticipate that prolonged national or localized lockdowns that prescribe that people should stay in their homes, with the resultant closure of premises and venues will have adverse effects on the economic returns of the copyrights owned by the Funds.

Piracy

It is impossible to measure the impact of piracy on the entertainment industry; however, it may be significant. Technological advancements have facilitated the unauthorized reproduction of film, television and other media content through the use of digital files, which has made it more difficult to contain the loss of revenue from piracy. While the major studios and various trade organizations, record labels and music publishers continually seek to limit or prevent piracy, there can be no assurance that these efforts will be successful.

Item 9: Disciplinary Information

Neither HVEP nor any of its officers, directors, or employees or other management persons have been involved in any legal or disciplinary events that would require disclosure in response to this item.

Item 10: Other Financial Industry Activities and Affiliations

The General Partner of the Fund is an affiliate of HVEP. The General Partner will control the business and affairs of the Fund.

In addition to the Fund, HVEP may organize one or more parallel investment entities to facilitate investments by certain investors (each a “Parallel Vehicle”). It is expected that each Parallel Vehicle will participate with and invest alongside the Fund in investments consistent with its investment strategy pro rata based on committed capital to the Fund and each such Parallel Vehicle.

There will be instances where HVEP will have a revenue sharing arrangement with parties that invest in the Fund, Parallel Vehicles, or have an investment advisory arrangement with HVEP. Such agreements are made to for HVEP’s financing needs. Conflicts of interest relating to such arrangements will be mitigated by the methods discussed in Item 12.

The General Partner may determine that for legal, tax, regulatory or other similar considerations, it is in the best interests of the Fund or one or more partners of the Fund that certain partners participate in a potential investment through an alternative investment structure. The General Partner may affect the making of such investment outside of the Fund by requiring certain or all partners to make capital contributions with respect to such investment to a limited partnership or other vehicle that would provide for the limited liability of the limited partners investing therein (each, an “Alternative Investment Vehicle”). The Governing Documents of any such Alternative Investment Vehicle will contain terms and conditions generally comparable to those of the Fund and will be managed by the General Partner or an affiliate thereof. The General Partner may, in its discretion, allocate the fees and expenses associated with developing Alternative Investment Vehicles to the affected limited partners.

As method to mitigate conflicts, the General Partner shall establish, an advisory committee (the “LP Advisory Committee”) consisting of at least three representatives of the limited partners selected by the General Partner in its sole discretion. The purpose of the LP Advisory Committee will be to review certain actual or potential conflicts of interest, and certain other matters, brought to it by the General Partner, as provided in the Governing Documents. The LP Advisory Committee will be authorized, if so requested by the General Partner, to waive on behalf of the Fund any such actual or potential conflicts of interest or to authorize the General Partner to provide consent, on behalf of the Fund, including consents that may be required under the Advisers Act, if applicable, to conflict transactions or assignments of the Fund investment advisory agreements. The LP Advisory Committee will generally act by vote of a majority of its members. The LP Advisory Committee will not have any direct management control or fiduciary or other duties to the Fund or its limited partners but will serve in an advisory capacity to the General Partner.

Prior to the formation of the LP Advisory Committee, actual or potential conflicts of interest between the Fund or any portfolio company, on the one hand, and the General Partner, and HVEP, on the other hand, may be waived, and consent to transactions involving such conflicts may be given, with the approval of a majority-in-interest of the limited partners as prescribed in the Governing Documents of the Fund.

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

HVEP recognizes its fiduciary responsibility to treat clients fairly and avoid actual or potential conflicts of interest. HVEP's supervised persons have an obligation to act solely in the best interests of clients, and to make full and fair disclosure of all material facts, particularly where the clients' interests may conflict with the interests of HVEP and/or HVEP's supervised persons. HVEP's supervised persons must maintain the highest industry standards of conduct based on principles of professionalism, integrity, honesty and trust and therefore HVEP has adopted a Code of Ethics (the "Code") which describes the general standards of conduct that it expects of all supervised persons and focuses on specific areas where supervised persons' conduct has the potential to adversely affect clients, such as: misuse of confidential information, personal securities trading and outside business activities. Failure to uphold the Code may result in disciplinary sanctions, including termination by HVEP. All supervised persons must acknowledge the terms of the Code annually, or as amended.

Any client or prospective client may request a copy of HVEP's Code. Under the Code, HVEP's supervised persons are permitted to maintain personal trading accounts provided that such accounts are disclosed to HVEP and any personal trading by supervised persons is consistent with the Code and all applicable laws. Employees may buy, sell or hold for their own personal trading accounts securities that HVEP also may buy, sell or hold for the private funds it manages subject to compliance with applicable laws, rules and regulations, the Code, pre-approval and a determination that no conflict of interest exists.

Misuse of Nonpublic Information

HVEP's Code also addresses misappropriation of material nonpublic or proprietary information (e.g., insider trading) and outside business activities. HVEP's insider trading prohibitions (i) apply to all supervised persons, (ii) extend to activities within and outside their duties as HVEP supervised persons, and (iii) apply to investment interest-related information that is internal to HVEP. Employees are permitted to engage in limited outside business activities provided these activities are pre-cleared by the CCO and more importantly, do not create an actual or potential conflict of interest with any client due to the amount of time spent on such activities and the investment-related nature of certain activities.

Personal Securities Trading

Subject to compliance with applicable laws, rules and regulations, and the Code, supervised persons may buy, sell or hold for their own personal trading accounts securities, including the same securities in client accounts. HVEP has adopted personal trading policies and procedures to prevent conflicts of interest with the Fund. HVEP at times may maintain a restricted list of securities that it and its supervised persons may not trade in order to avoid the misuse of material nonpublic information or confidential client information. HVEP's Chief Compliance Officer and/or his/her designee periodically reviews the personal accounts of its employees for compliance with these policies and procedures.

Outside Business Activities

HPEV's Chief Compliance Officer must pre-approve all outside activities conducted by HVEP's supervised persons. If any activities are deemed to be in conflict with the Funds, such conflicts will be fully disclosed.

Item 12: Brokerage Practices

HVEP, in acquiring media and entertainment intellectual property rights, does not engage broker dealers.

Item 13: Review of Accounts

HVEP's management team will closely monitor each investment on a continuous basis.

HVEP will apply a comprehensive, multi-tiered approach to risk management, focused on regular assessment of risk and return metrics including investment risk, operational risk, asset valuation, legal, compliance and regulatory obligations, appropriate levels of insurance and tax matters.

These components of prudent risk management will inform HVEP's investment process from initial screening, through evaluation and ongoing monitoring, to maximizing exit alternatives and value. Portfolio construction will also be reviewed regularly by HVEP to ensure appropriate diversification within the investment strategy of the Fund.

Item 14: Client Referrals and Other Compensation

HVEP could enter into placement agent arrangements pursuant to which it compensates third parties for referrals that result in a potential investor becoming a limited partner in the Fund. Any fees payable to any such placement agents will be borne by the Fund in accordance with the Governing Documents.

Item 15: Custody

HVEP is deemed to have custody of the Funds' assets because of the authority that HVEP and/or its affiliated entities have over those assets. The Funds' financial statements are subject to an annual audit by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and the audited financial statements are distributed to each investor in each Fund within 120 days following the end of each fiscal year of the Fund. The audited financial statements are prepared in accordance with generally accepted accounting principles (GAAP).

Item 16: Investment Discretion

HVEP has investment discretion which shall be exercised in a manner consistent with the stated investment objectives for the Fund and in accordance with the Fund's Governing Documents. See also Item 13 – Review of Accounts above. Important information about the Fund, including the specific investment policies, fees and expenses, and other material terms, are set forth in the Funds' Governing Documents.

Item 17: Voting Client Securities

HVEP does not receive proxies regarding the acquired intellectual property rights.

Although HVEP does not expect to receive proxies with respect to Fund investments, HVEP will, in accordance with its fiduciary duty to clients and Rule 206(4)-6 of the Advisers Act, adopt and implement written policies and procedures governing the voting of Fund securities, if any. Any proxies that HVEP receives will be treated in accordance with these policies and procedures.

Investors will be able to obtain a copy of HVEP's proxy voting policy and procedures or information with respect to a specific proxy vote as it relates to their account by submitting a request to the Chief Compliance Officer, whose contact information can be found on the cover page of this brochure.

Item 18: Financial Information

HVEP does not solicit or require the prepayment of management fees six months or more in advance and, to the best of its knowledge and belief, does not have any financial condition that would be likely to impair its ability to meet its commitments to its clients.
