

Part 2A of Form ADV: Firm Brochure

CMS Fund Advisers, LLC

September 28, 2021

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This brochure provides information about the qualifications and business practices of CMS Fund Advisers, LLC. If you have any questions about the contents of this brochure, please contact us at 610-896-3000, dmb@cmsco.com. 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. Registration with the United States Securities and Exchange Commission does not imply a certain level of skill or training.

Additional information about CMS Fund Advisers, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This brochure was reviewed and updated in connection with our required annual review of our ADV materials in March 2021. The following are material changes to report since our March 2021 filing:

The amount of client assets we manage is \$71.68 million (as of valuations available in March 2021). Most of these assets are subadvised by either MainLine Investment Advisers, LLC or Merion Realty Advisers, LLC (these are advisers related to CMS Fund Advisers, LLC). Although we historically did not consider subadvised assets part of our “Regulatory Assets Under Management” (RAUM), as of this month we adjusted our methodology to include certain subadvised assets in our RAUM based upon recommendations by the SEC. As a result, the Firm's RAUM figure has been adjusted from \$459,179 to \$71.68 million (as of valuations available March 2021).

Item 9 (Disciplinary Information) has been amended to include information about management persons Morey Goldberg and Mark Solomon. In 2018 there were actions taken by Financial Industry Regulatory Authority (FINRA) relative to Goldberg and Solomon that were unrelated directly to the Firm or any of its clients.

Item 16 (Discretionary Authority) has been amended to clarify which accounts have discretionary or non-discretionary authority. When a related party exercises discretion that related party is listed in the Schedule of Clients provided at the end of this Brochure.

Item 3 – Table of Contents

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Item 4 – Advisory Business

FIRM AND PRINCIPAL OWNERS

CMS Fund Advisers, LLC (sometimes called the “Firm” in this brochure) is a Delaware limited liability company and successor by merger in 2010 to the business of CMS Fund Advisers, Inc. CMS Fund Advisers, Inc. was formed in 2002 as a spin-out of the advisory business of CMS Investment Resources, Inc., which commenced advisory operations in 1982.

The Firm has one owner, CMS Holdco, LLC, which is also called the Firm’s sole member and manager. CMS Holdco, LLC, in turn, is owned by 6 individuals: David Clapper, Morey H. Goldberg, William A. Landman, Richard A. Mitchell, Paul Silberberg and Mark I. Solomon. These persons’ ownership interests are not equal, and no one person owns 25% or more of CMS Holdco, LLC. CMS Holdco, LLC is managed by a board of managers comprised of the same 6 individuals who are its owners.

The Firm has no subsidiaries.

The Firm’s investment policies are set by its Investment Committee. The members of the Firm’s Investment Committee are David Clapper, Morey H. Goldberg, William A. Landman, Paul Silberberg and Mark Solomon. Additional information is included in brochure supplements with respect to (i) each person who formulates investment advice for a client and has direct client contact, and (ii) each person who has discretionary authority over a client’s assets even if that person has no direct client contact. A brochure supplement for Mr. Landman is available upon request. As described below, the Firm’s clients are investment partnerships and other similar entities that we advise.

Effective January 1, 2012, the Firm ceased advising new clients and two new related investment advisers began operations in a planned reorganization of CMS’s real estate and private equity businesses to separate investment platforms and change their ownership and control structures. MainLine Investment Advisers, LLC (“MLIA”) was formed to advise or subadvise certain private equity and other private fund clients, and Merion Realty Advisers, LLC (“MRA”) was formed to subadvise certain real estate fund clients. For the purposes of this brochure, the Firm, MLIA and MRA are called advisory affiliates notwithstanding their ownership and control differences. Please refer to Item 10 for more information about financial industry affiliations.

INVESTMENT SUPERVISORY SERVICES

The Firm’s main business is to provide investment advice to various private equity and real estate investment funds which are called our clients. Most of our clients are limited partnerships that are related to us because there is majority common ownership and control between the Firm and the general partners of those limited partnerships. Some of our clients are funds of funds meaning that they invest in other investment funds that may or may not be related to us. All of our current clients are closed-end (meaning they do

not accept additional subscribers after a stated offering period) investment partnerships with capital committed by investors that usually is drawn down and contributed over time to purchase investment securities and pay expenses. Most of our clients do not offer redemption rights or liquidity to their investors. Please refer to a schedule of active affiliated investment funds that are clients, included at the back of this Part 2A of Form ADV.

Our advice is considered to be investment supervisory services because we give continuous advice based on the individual needs of each client. We look for investments that meet the stated objectives, strategy and investment guidelines of each client. We will only recommend that a client buy a security if that type of security and the amount to be invested in that security meets the client's objectives, strategy and investment guidelines as stated in the client's offering memorandum and partnership agreement. We supervise the entire investment process and monitor the performance of each investment security held by our clients. We make recommendations to buy, hold and sell investment securities. However, we do not make the final investment decisions. In other words, we do not have investment discretion. The final investment decisions are made by the general partners of the various limited partnerships that are our clients. As stated above, there is common majority ownership and control between the Firm and most of those general partners. In cases where MLIA or MRA is acting as ultimate subadviser, MLIA or MRA may be providing some or all of the services described above. The only remaining private fund client where the Firm is exclusively providing continuous investment advice is an account holding only a cash position for liquidation expenses and distribution.

We (or a related subadviser) primarily provide advice with respect to stock, equity securities and debt securities in private companies and limited partnerships. We also may offer advice with respect to a wide variety of securities, including (i) any type of private or public stock or equity interests, (ii) investment company securities (including variable life insurance, variable annuities and mutual fund shares), (iii) warrants, (iv) corporate debt securities, (v) municipal securities, (vi) options contracts on securities, (vii) various equity and debt interests in or secured by real estate, and (viii) interests in other investment funds such as private equity, real estate, buyout, venture capital and hedge funds.

We do not participate in wrap fee programs.

The amount of client assets we manage is \$71.68 million (as of valuations available in March 2021 – values are updated annually in accordance with SEC reporting obligations). As mentioned above, most of these assets have been advised by either MLIA or MRA as subadviser since January 1, 2012.

Item 5 – Fees and Compensation

ADVISORY FEES

The Firm charges its clients annual advisory fees that generally range from 0.25% to 2.0% of an asset fee base. The asset fee base for an initial period of years (usually 3 to 5) is equal to the client's full committed capital regardless of how much has been contributed by investors.

After the initial period of years (usually 3 to 5), the asset fee base will generally decrease over time with asset sales, write-offs or capital commitment waivers, subject to certain caveats. The specific fee charged depends upon the type and complexity of services to be provided. Because the Firm and the client are related to one another, there is no independent person who negotiates the Firm's advisory fees. However, the specific fee arrangements, exact fee start date, exact calculation of the asset fee base, and other types of fees and expenses paid by each client are described in the client's offering memorandum. Therefore, each investor typically knows what the fees are prior to deciding to make an investment in that client.

As mentioned before, some of the Firm's clients are funds of funds that invest in other clients of the Firm. The specifics of the Firm's advisory fees may not be fully known or disclosed to investors at the time of the offering of interests in a client that is a fund of funds. The unknown specifics may include the fee percentage, the asset fee base and the fee start date. We always attempt to charge fees that are fair and reasonable in amount based on the type and complexity of the services provided. We generally select a fee start date that coincides with (i) when we started performing advisory services, (ii) the date of the initial investor closing, (iii) when the client's first investment was made, or (iv) when subadvisory or other consulting fees are due.

In cases where the Firm has delegated certain advisory responsibilities to a related adviser, the Firm may share a portion of its fees with respect to certain accounts with those advisers who are performing specific services.

OTHER COMPENSATION

If other types of fees and expenses are paid by a client, they are described in the client's offering memorandum if known.

Some of the other types of fees and expenses that usually are paid by a client are: auditing fees and costs; custodial fees and costs; banking fees and costs; franchise taxes and entity formation and maintenance fees; legal expenses; securities and "blue sky" filing fees; an allocable portion of the costs (including third party service fees) related to recording, managing and reporting of accounting, tax and financial information, investor subscription processing, cash calls and distributions; fees and costs related to asset management information technology and software; fees and costs related to anti-money

laundering and other regulatory compliance; expenses related to roadshows and offering related activities; postage and travel expenses.

The client also will reimburse the Firm or an affiliate for the services performed by the Firm's attorneys and accounting professionals directly to or for the benefit of the client (whether the services relate to general administrative matters or the business operations of the client). These will be paid only if the client would otherwise have engaged outside professionals to perform the services. The fees that are charged do not exceed rates customarily charged by outside attorneys or accounting professionals.

BILLING PROCEDURES

We usually charge advisory fees monthly in advance, but sometimes we charge fees quarterly or semi-annually in advance. If the fee start date is not the first of a month, the first billing period may include a partial month. If an advisory contract with a client is terminated before the end of a billing period, the Firm will refund any overpayment of fees to the client. The overpayment of fees will be calculated based on the number of full months remaining in a billing period after the contract was terminated. No refund will be given for a partial month.

Under most advisory contracts with Firm clients, after an initial period of years (usually 3 to 5), we can collect advisory fees only out of cash available for distribution and not out of capital contributions made by investors. If cash is not available to pay advisory fees in the period earned, the fees may be accrued and their payment deferred. We collect deferred fees when cash becomes available before cash distributions are made to investors, unless we waive payment of those fees, at the sole discretion of the Firm. If a client does not deploy all of the capital originally committed by investors, and as a result elects to reduce the amount of such uncalled capital commitment, advisory fees that have already been paid or accrued on such uncalled capital will not be refunded.

The Firm calculates the advisory fees and sends a bill to the client. The client then pays the fees owed to the Firm. Because the Firm and the client are related to one another, there is no independent person who reviews the calculation of advisory fees. However, some clients may have their financial statements audited by an independent certified public accounting firm. In addition, the funds and securities of clients are held by a qualified custodian who, to the extent required by SEC rules, sends quarterly account statements to the clients' investors. Those statements show the advisory fee payments.

Investors who are related to the Firm or an affiliate may receive up to a 100% discount or rebate on their share of capital contributions and/or distributions that are used to pay advisory fees. These discounts, if applicable, are disclosed in detail in the applicable client's offering memorandum and limited partnership agreement.

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

The general partners (or their special-purpose affiliated entities) of most of our clients may receive a share of the profits generated by the client. This share of profits is often referred to as a carried interest. Because of our relationship with the general partners of our clients, the carried interest may be considered performance based compensation that indirectly benefits the Firm. A carried interest may give the Firm or the client's general partner an incentive to take more risk or make more speculative investments than would otherwise be the case. In addition, the likelihood of earning a carried interest may give the Firm an incentive to favor one client over another in allocating investment opportunities or making buy, hold or sell recommendations. We address these potential conflicts of interest by (i) recognizing our fiduciary duty owed to each client, and (ii) reviewing each client's objective, strategy and investment guidelines alongside our recommendations.

Item 7 – Types of Clients

Please refer to Item 4 above.

The Firm's advisory clients generally are private equity and real estate investment funds. Our clients are limited partnerships that are related to us because there is majority common ownership and control between the Firm and the general partners of those limited partnerships. Some of our clients are funds of funds meaning that they invest in other investment funds that may or may not be related to us. All of our current clients are closed-end (meaning they do not accept additional subscribers after a stated offering period) investment partnerships with capital committed by investors that is usually drawn down and contributed over time to purchase investment securities and pay expenses. Most of our clients do not offer redemption rights or liquidity to their investors. Our clients' investors are typically (but not exclusively) high net worth individuals and trusts and other family investment entities created by those individuals. Some investors are institutions. We do not manage separate advisory accounts for individual or institutional investors, and investors often invest in more than one fund or other related investment opportunity.

Item 8 – Method of Analysis, Investment Strategies and Risk of Loss

METHOD OF ANALYSIS AND INVESTMENT STRATEGY

The Firm advises its clients primarily about making investments in private companies and real estate. Each client will have a specific strategy and investment focus that is described in the client's offering memorandum. Some clients may have strategies similar to other clients. The client's offering memorandum and/or limited partnership or operating agreement may include specific guidelines or restrictions on investments. The

Firm's role is to (i) find investment opportunities that fit the client's specific strategy, (ii) diligently investigate each investment's benefits and risks (called due diligence), (iii) make recommendations to each client whether to buy, hold or sell an investment, and (iv) monitor the performance of investments made. The Firm will review its recommendations against any specific guidelines or restrictions on the client's investments. The Firm does not make the final investment decisions. The final investment decisions are made by the general partners of the various limited partnerships that are our clients. As stated elsewhere in this brochure, there is common ownership and control between the Firm and most of those general partners.

DUE DILIGENCE

Professional employees of the Firm or its affiliates perform due diligence on each investment opportunity. Due diligence will vary depending on the type of investment but will usually include some or all of the following:

- Review, preparation and/or analysis of business plan
- Review and negotiation of legal documents relevant to the security to be held
- Review of insurance coverage
- Review of historical financial information
- Research and analysis of market information
- Research and review of competition
- Review, preparation and/or analysis of financial projections
- Interviews and/or background checks of key company management and joint venture partners
- Lien searches of company assets and real estate
- Review of material contracts and other company data
- Review of real estate title, zoning and survey
- Review of real estate environmental and engineering conditions
- On-site visits to company headquarters and/or real estate

The above is not an exhaustive list, nor does every item on the list apply to all investment opportunities. Moreover, due diligence performed on funds of funds tends to cover the manager(s) of funds versus the underlying assets. Our professional employees use their experience and expertise to review each investment opportunity in a diligent way. For certain items on the list that require special expertise, consultants may be engaged on behalf of the client to perform research and prepare reports. Our employees then review and analyze those third party reports. In addition, legal counsel is engaged on behalf of each client to prepare or review and negotiate legal documents with reasonable and customary provisions to protect the interests of the client. The client pays the fees and costs of consultants and legal counsel. To the extent affiliated consultants or legal counsel are engaged to provide services, the fees that are charged do not exceed rates customarily charged by third party consultants or legal counsel.

A related adviser may perform some of these duties under a subadvisory agreement.

RISK OF LOSS AND RISK FACTORS

Investing in securities involves risk of loss that clients and investors should be prepared to bear. There can be no possibility of profit without risk of loss, including the risk of loss of one's entire investment.

The types of securities we recommend to our clients are illiquid and speculative. There is no guaranty that our recommendations will turn out to be profitable to our clients or their investors. Our clients may not be able to sell or liquidate recommended securities if our clients need capital for other purposes. Most of our clients do not offer redemption rights or other liquidity options to their investors.

There are certain risk factors that may apply generally to the types of investment securities we recommend to our clients. There are also numerous risk factors that may apply to the specific investment program or strategy to be followed by a particular client. These general and specific risks are described in the offering memorandum of the particular client. Some of the risk factors that apply generally to our clients are summarized below.

Illiquid Securities. Almost all of the investments made by the Firm's clients are private securities for which there is no public market. As a result, these securities are illiquid and are subject to sale restrictions due to securities laws or contractual obligations. In addition, these investments may take several years to mature. During the investment holding period, there may be no cash distributions to the client's investors. These limitations on sale could make it difficult to sell an investment or may reduce the amount of sale proceeds.

Unidentified Investments - Blind Pool. In most cases (but not always), the Firm's clients are blind pools – meaning that the investments are not fully identified at the time of the client's equity offering. As a result, a prospective investor considering an investment in the client will not know or be able to evaluate all investments to be made by the client prior to making an investment decision. Rather, the prospective investor must rely upon the ability of the client's general partner, based upon advice provided by the Firm or a related adviser, to select appropriate investments on behalf of the client. In the case of a fund of funds, a prospective investor may need to rely upon the ability of the client's underlying manager(s) to select appropriate investments on behalf of the fund.

General Investment Risks. Any investment in equity securities is subject to risks. These risks include fluctuations in value due to issuer, political, market, regulatory and economic developments. Fluctuations can be dramatic over the short or long term. Different parts of the market and different types of equity securities can react differently to these developments. These developments can affect a single issuer, many issuers within an industry or economic sector or geographic region, or the market as a whole. Terrorism, global health events, political and regulatory developments, and economic developments (caused by natural disasters or a pandemic, for instance) have

increased short-term market fluctuations and may have long-term effects on world economies and markets generally.

General Risks of Investing in Private Companies. There typically is little or no publicly available investment information about privately-held companies. The information that is available may be more limited or less reliable for small private companies than is typically the case for a larger private or public company. The due diligence investigation undertaken by the Firm or the client's general partner may not uncover all material information about a private company necessary to make a fully-informed investment decision. In addition, the valuation of securities of privately-held companies is less certain than public companies and may be subject to substantial market variations. Such investments involve a high degree of business and financial risk that can result in substantial losses.

General Risks of Investing in Real Estate. An investment in real estate is subject to various risks. These risks usually relate to expenses being higher than expected, cash flow being less than expected, or both. If cash flow is insufficient to pay all expenses, the investment could suffer losses. Mortgage financing or other debt can increase these risks and result in an investment being lost through foreclosure. Adverse changes in local, regional, national and international economic conditions can negatively affect real estate values. For example, high unemployment rates, declines in population, and tenant bankruptcies can adversely impact real estate income. Similarly, high real estate taxes, insurance costs, increases in interest rates and high fuel and heating costs due to rising crude oil prices result in higher operating costs. Other risks include zoning laws and other government rules and fiscal policies and changes in such laws, rules and policies; environmental claims; and uninsured losses and other risks that are beyond the control of the Firm or its client.

General Risks Associated with Debt Markets. The types of investments made by the Firm's clients can be affected by the debt markets. The value and marketability of private company and real estate investments may depend upon the availability and cost of credit to finance operations or acquisitions. Current conditions in the debt markets include reduced credit availability and increased debt costs for many market participants. These conditions, which increase the cost and reduce the availability of debt, may continue or worsen in the future. Continued and future disruptions in the debt markets could have an adverse impact on investment values and on acquisition and exit opportunities.

Risk of Co-Investment. In cases where a fund sponsored by the Firm or a related party invests with certain co-investment partners, an unaffiliated third party may serve as a general partner of a subpartnership that owns a fund asset and/or may have certain control or veto rights with respect to a fund asset. As a result, there is a possibility that such co-investment partner may be in a position to take action with respect to a fund asset that is contrary to the desires or objectives of the fund.

Item 9 – Disciplinary Information

Not applicable since all private fund clients are closed-end and no investors or clients are evaluating the advisory services of the Firm for purposes of investing in new opportunities. Relative to management persons Morey H. Goldberg and Mark Solomon, there were actions taken against them by Financial Industry Regulatory Authority (FINRA) in 2018 that were unrelated directly to the Firm or any of its clients. More information about these actions can be found at <https://brokercheck.finra.org/>. In summary:

FINRA Letter of Acceptance, Waiver and Consent No. 2015043333002 regarding Morey Goldberg (CRD No. 1741133) found that Mr. Goldberg violated certain rules about Outside Business Activities and Communications with the Public. FINRA imposed a 45-day suspension from association with any FINRA member in any capacity, and a deferred fine of \$10,000. Mr. Goldberg has not been a registered representative since the end of 2016, when he voluntarily terminated his registration with FINRA.

FINRA Letter of Acceptance, Waiver and Consent No. 2015043333001 regarding Mark Solomon (CRD No. 1014516) found that Mr. Solomon violated certain rules about Outside Business Activities. FINRA imposed a twelve-month suspension from association with any FINRA member in any capacity and a deferred fine of \$15,000. Mr. Solomon retired from the securities business in 2016 and voluntarily terminated his registration with FINRA at that time.

Item 10 – Other Financial Industry Activities and Affiliations

AFFILIATED ENTITIES IN THE FINANCIAL INDUSTRY

There are various related investment advisory, broker-dealer, insurance and real estate management businesses described below. Please also refer to a schedule of active affiliated investment funds that are clients included at the back of this Part 2A of Form ADV. CMS Holdco, LLC is the sole member and manager of the Firm.

Also, David A. Clapper, William A. Landman and Richard A. Mitchell, three of six members of CMS Holdco, LLC and control persons associated with the Firm, are also the control persons associated with MainLine Investment Partners, LLC (“MLIP”) (although not in equal percentages). MLIP is a member of the following regulated companies, which are further described below:

- MainLine Investment Advisers, LLC, an investment adviser
- Merion Realty Advisers, LLC, an investment adviser
- MainLine Private Wealth, LLC, an investment adviser
- MainLine Securities LLC, a broker-dealer

Other Investment Advisory Activities

MainLine Investment Advisers, LLC (“MLIA”) is registered with the SEC as an investment adviser. MLIA is wholly owned by MLIP. MLIA is a subadviser to various private equity-oriented private funds that are advised by the Firm. MLIA is also subadviser to various real estate-oriented private funds that are advised by the Firm; in the case of real estate funds MLIA has delegated its subadvisory duties to Merion Realty Advisers, LLC (see below). MLIA also advises other private funds sponsored by MLIP.

Merion Realty Advisers, LLC (“MRA”) is registered with the SEC as an investment adviser. MLIP (further described above), William A. Landman and Richard T. Aljian are control persons of MRA. Mr. Landman is also a control person of the Firm. MRA is subadviser to various real estate-oriented private funds that are advised by either the Firm and MLIA, or just MLIA. MRA also advises other funds sponsored by its professionals.

MainLine Private Wealth, LLC (“MLPW”) is registered with the SEC as an investment adviser related to the Firm. MLIP is the majority member and is the manager of MLPW. MLPW is a fee-based adviser that provides financial advice to individuals and corporate entities, including retirement plans.

Since MLIA, MRA and MLPW are investment advisers registered with the SEC, more information about these advisory affiliates is available on the SEC’s website at <http://www.adviserinfo.sec.gov>.

Broker-Dealer and Insurance Activities

MainLine Securities LLC (“MLS”) is a registered broker-dealer with the SEC and FINRA, as well as with certain states where it conducts business. MLIP is the sole member of MLS, although MLS has a unique control structure. MLS receives sales commissions and/or placement fees for the sale of private securities and insurance products (see below). MLS may be engaged to act as a placement agent for private securities offerings of MRA’s and MLIA’s clients as well as other private securities offerings of related or third parties. Related private securities offering materials will describe among other things relationships with the placement agent and the client (as well as any other related parties involved in the transaction) and the fees charged by them. Specific investor qualification requirements will be applicable. Certain employees or supervised persons of the Firm are also connected or registered with MLS.

MLS is also a licensed insurance producer under contract with several life insurance companies, and maintains a resident Pennsylvania as well as various non-resident insurance licenses where it conducts business. MainLine Securities LLC may receive compensation for servicing its clients as a producer with respect to the purchase of insurance and insurance-related products.

General Partners or Managers of Investment Clients

Generally the Firm's or a related party's private fund clients' general partners or managers are under some common control with the Firm. Affiliates of those general partners or managers, and affiliates of the Firm, typically form separate investment partnerships for related party investments (for example employee partnerships) and other special-purpose entities involved in the organizational structure of an investment transaction. Related parties participating in an investment opportunity are disclosed to investors before they make a decision to invest. If a related party is the general partner or manager of an investment client and exercises discretion, that entity is listed on the Schedule of Clients provided at the back of this brochure.

To the extent that general partners or managers of Firm private fund clients are considered a "relying adviser", which means they are themselves investment advisers eligible to register with the SEC, but may rely on the Firm (the Filing Adviser) to file a single Umbrella Registration on its behalf, Schedule R has been completed on our ADV Form Part 1 and should be reviewed to understand more about these special-purpose entities.

Real Estate Management

MRM Residential Management, LLC ("Merion Property Manager") is a property management company that performs property management services and maintains either themselves or through their principals or officers various real estate related licenses. These companies manage real estate properties, some of which are owned by certain clients of the Firm. They also manage properties owned or advised by other related parties. MRM Residential Holdings, LLC is the sole member and manager of MRM Residential Management, LLC, and certain owners of CMS Holdco, LLC control MRM Residential Holdings, LLC.

Other Non-Advisory Activities (not already listed above)

The professionals of companies related to the Firm may from time to time form special-purpose entities that are not advised clients and are not part of the organizational structure of an investment client for various reasons. Such special-purpose entities may include limited partnerships or limited liability companies that own the fee interest in real property or the carried interest in an investment opportunity. Other examples may include employee partnerships or single member limited liability companies that own or control such real property owners. In some cases, principals of the Firm participate in such special-purpose entities alongside one or more investor parties.

Indirect Activities

Certain principals independently operate, manage, own or control businesses that are not related to the Firm or the Firm's activities.

See Item 4 – Advisory Business, Firm and Principal Owners.

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading

CODE OF ETHICS

The Firm has adopted a Code of Ethics that sets forth certain standards of conduct with respect to important matters. The Code of Ethics applies to all members of the Firm's Investment Committee and associated persons that have access to nonpublic information about our clients and their securities holdings (collectively, called access persons). All access persons must sign the Code of Ethics when hired, and then annually thereafter.

The Code of Ethics addresses the Firm's ethical standards in the following areas:

- Fiduciary duties
- Compliance with securities laws
- Compliance with Firm supervisory policies and procedures
- Insider trading and handling of nonpublic information regarding Firm clients and their investments
- Requirements of access persons to report securities holdings, transactions, board affiliations and outside business activities
- Requirements of access persons to obtain prior approval of certain investments and outside business activities
- Confidentiality requirements
- Restrictions on accepting gifts or gratuities from clients

These matters are designed to set forth a standard of business conduct that the Firm requires of its supervised persons which reflects the fiduciary obligations of the Firm and its supervised persons, as well as compliance with the federal securities laws. Upon request, a copy of our Code of Ethics will be provided to any client or investor, or to any prospective client or investor.

In summary, the Firm's Code of Ethics requires each access person to acknowledge certain matters such as: (i) the requirement to comply with the Firm's policies and procedures; (ii) the Firm's fiduciary duties; (iii) the requirement to disclose securities holdings, transactions, board affiliations and outside business activities; (iv) the requirement for pre-approval of certain security purchases and outside business activities; (v) confidentiality requirements; and (vi) restrictions on accepting gifts or gratuities from clients or on making or accepting loans from clients.

CERTAIN CONFLICTS OF INTEREST

The Firm is related to persons that are in the advisory business, broker-dealer business, insurance business, real estate acquisition and management and other businesses. The

Firm is also related to its clients. As a result of these relationships, various conflicts of interest arise from time to time. The Firm attempts to resolve conflicts of interest in a fair and equitable way to all parties consistent with its fiduciary duties. However, it is not always possible for the outcome to be equally favorable to all parties. This section describes certain conflicts of interest that may arise.

Transactions between the Firm's clients may create conflicts of interest. Set forth below are examples of transactions between the Firm's clients that may occur:

- (i) Two or more clients may invest in the same transaction if the investment is appropriate for both clients. If the transaction is entered into at the same time and on the same terms, the conflict is minimized. However, if one client purchases at a different time and/or on different terms, the conflict is heightened.
- (ii) One client may sell an investment to, or purchase an investment from, another client.
- (iii) One client may make a loan to, or acquire debt or preferred equity securities, in an investment entity in which another client holds common equity.
- (iv) One client may have a contractual relationship with another client, such as landlord/tenant, lender/borrower, customer/supplier, and other relationships.
- (v) One client may invest in another client.
- (vi) Any of the above examples may occur between one of the Firm's clients and a client of another advisory affiliate.

In rare instances, the Firm may buy securities for itself from, or sell securities it owns to, a client. It is also possible that the Firm (or a related party) may have a direct or indirect interest in an investment that a client buys or sells.

In all cases, the Firm will attempt to structure the transaction so that it is fair to all clients involved in the transaction and is on terms that are comparable to an arms' length transaction between unrelated parties. In some cases, the Firm will obtain an independent third party valuation of the security involved in the transaction. When conflicts of interest arise, it may not be possible to be fair to all clients involved in all cases. A transaction structure, performance or outcome may turn out to be more favorable to one client over another.

Principals of the Firm may serve from time to time on the boards of portfolio companies in which a Firm client invests. Board positions are negotiated or accepted when it is believed to be in the best interests of the Firm's client(s). However, a board member of a portfolio company typically has a fiduciary duty to the company and to all of the shareholders or members of the company and, therefore, it is possible that conflicts of interest might exist between the board member's duties to the portfolio company and his or her duties to a Firm client.

Sometimes a broker-dealer or agent related to the Firm may act as a broker or agent for compensation in buying or selling securities for or among Firm clients and/or investors. In such cases, the commissions or other compensation charged are comparable to the commissions and other compensation that would be charged by independent third parties.

MRM Residential Management, LLC (related to the Firm) may manage real estate properties that are held as investments by Firm clients. MRM Residential Management LLC receives management fees for their services. In such cases, the management fees charged are comparable to the fees that would be charged by independent third parties.

It is also possible that a third party who controls or is otherwise related to an investment made by a Firm client (for example, a joint venture partner with whom a Firm client invests in a particular project) may also (i) invest as a limited partner in other Firm clients, (ii) be a client of MainLine Private Wealth, LLC or MainLine Securities LLC, and/or (iii) have other business relationships with the Firm or its related parties. In these cases, the Firm and/or its related parties may receive direct or indirect compensation.

Investors in Firm clients may be clients of MainLine Private Wealth, LLC. Also, investors in Firm clients may own insurance or other products that were sold by MainLine Securities LLC or other parties related to the Firm, and the Firm or a related party may receive compensation in connection with the sale of those products.

Conflicts of interest that are applicable to a particular client and are known at the time of the offering of interests in the client are disclosed in the client's offering memorandum.

In accordance with securities laws, the Firm may be required to obtain the consent of its clients in connection with transactions in which it or a related party acts as a principal or broker. In those cases, the Firm intends to solicit the consent of investors that hold interests in the applicable client in accordance with the terms of the relevant client's partnership agreement or other governing documents and law.

Item 12 – Brokerage Practices

The Firm or related persons may recommend or select brokers for clients for the purpose of selling public securities owned by such clients. This occurs infrequently because clients typically hold private securities. The broker is selected based upon its knowledge of and access to the relevant market, recommendations received from third parties with knowledge of the security being traded, and commissions proposed to be charged.

The Firm does not participate in soft dollar arrangements. A soft dollar arrangement is one where higher commissions may be charged in exchange for products, research or services other than services directly related to the trade itself.

Item 13 – Review of Client Accounts

The Firm and/or a related adviser periodically reviews the investments made by its clients and provides ongoing advice and recommendations to clients on whether to hold or sell those investments. These reviews and services usually occur during Firm Investment Committee meetings, but may also take place during other less formal discussions among Investment Committee members.

The Firm or a related adviser is primarily responsible for valuations of each client's security holdings. Valuations are updated on a quarterly basis; full valuation reviews are performed on at least an annual basis. The Firm determines the valuation of each security in accordance with its valuation procedures (or accepts valuations determined by a subadviser in accordance with substantially similar valuation procedures). Valuation procedures have been adopted for each different type of security and are updated as necessary. As mentioned above (See Item 4), all clients with remaining investments are subadvised by MLIA and/or MRA since January 1, 2012. Progress Reports are issued to investors in each fund client on a periodic basis.

Item 14 – Client Referrals and Other Compensation

The Firm does not receive economic benefits from any party who is not a client for providing investment advice or other advisory services to our clients.

If the Firm compensates a person who is not related to the Firm for referring clients, such arrangements are disclosed in the applicable client offering memorandum or otherwise in writing to the client and investors.

Item 15 – Custody

The Firm is considered to have custody of client funds and securities to the extent it is related to the general partners of its clients.

Wells Fargo Institutional Retirement Trust is a qualified custodian for all of the Firm's clients. The qualified custodian is located in Minneapolis, MN. Wells Fargo & Co. sold its retirement and trust business to Principal Financial Group in 2019, and we anticipate actual account changes sometime later this year as a result of that transaction.

Except for clients which send audited financial statement to their investors within the time period required by SEC rules, the Firm undergoes a surprise audit by a PCAOB accounting firm with respect to all clients annually in compliance with SEC custody rules and the qualified custodian sends quarterly account statements directly to investors of clients of the Firm. Investors should carefully review those statements. If an investor also receives an investment report from the Firm, the investor is urged to compare the

account statements received from the qualified custodian to the investment reports received from the Firm and alert the Firm to any discrepancies that are identified.

Item 16 – Investment Discretion

CMS Fund Advisers, LLC does not as a legal matter have discretionary authority for any clients. Related general partners of private fund clients do typically have discretion, and in those cases make all operating and/or investment decisions on behalf of advisory clients. Please refer to fund legal documents for specific information about how each fund client is managed and controlled. Additionally, you may refer to the schedule of clients at the end of this Brochure where each non-discretionary account lists the related entity that retains discretionary authority.

However, please note that when the Adviser effectively exercises discretionary authority as a result of controlling or being under common control with the fund client's general partner, we have indicated in Form ADV Part 1 that the Firm has discretion.

See also Item 4 – Advisory Business.

Item 17 – Voting of Client Securities

The Firm's policy is to vote client securities in the best interests of the client's investors. Because client securities typically are privately held equity interests, voting rights are usually specified in the partnership agreement or other document governing the securities. Therefore, votes are usually cast directly at a meeting or by written consent and not by proxy. The Firm or the client's general partner will vote any securities or proxy in a manner consistent with the investment objectives of the client, typically to maximize investment returns within the guidelines established by the client, and subject to any investment restrictions and other constraints set forth in the client's offering memorandum or partnership agreement. The Firm's proxy voting policies and procedures are designed to comply with the requirements of Rule 206(4)-6 under the Investment Advisers Act of 1940. Such policies and procedures are reviewed periodically and may be amended from time to time. Upon written request by any investor, a copy of the full policy and procedures on proxy voting will be provided as well as a proxy voting record for any specific proxies voted on behalf of a client in which that investor purchased securities.

Item 18 – Financial Information

The Firm is not required to include financial statements in this brochure.

There is no financial condition which is reasonably likely to impact our ability to meet our contracted commitments to clients.

The Firm has not been the subject of a bankruptcy petition at any time during the past 10 years.

Appendix – Schedule of Firm Clients

Private Fund Clients advised directly by CMS Fund Advisers, LLC:

CMS/Winston Equity Partners II, L.P. *(CMS Winston Associates, L.P., its general partner, exercises discretion)*

Note that CMS Platinum Fund II, L.P., a Delaware limited partnership, was formed to enable CMS investors to invest in a portfolio of five CMS-sponsored investment funds. Although the CMS Platinum Fund II, L.P. is not an advised client, the portfolio of CMS-sponsored investment funds are advised by the Firm or a related subadviser. *(CMS Platinum Associates II, L.P., its general partner, exercises discretion)*

Schedule of Firm Clients where related MainLine Investment Advisers, LLC is subadviser:

CMS Platinum Fund, L.P. *(CMS Platinum Associates, L.P., its general partner, exercises discretion)*

CMS Small-Cap Private Equity Fund, L.P. *(CMS Small-Cap Partners, L.P. its general partner, exercises discretion)*

CMS Small-Cap Private Equity Fund Q, L.P. *(CMS Small-Cap Partners Q, L.P. its general partner, exercises discretion)*

CMS/GenNx360 Capital Fund, L.P. *(CMS GenNx Associates, L.P., its general partner, exercises discretion)*

Schedule of Firm Clients where related MainLine Investment Advisers, LLC is subadviser and has delegated its subadvisory duties to Merion Realty Advisers, LLC:

CMS Procaccianti Hotel Opportunity Fund II, L.P. and CMS Procaccianti Hotel Opportunity Fund II-Q, L.P. *(CMS/Procaccianti Associates II, L.P. and CMS 2003 Investment Partners (Q), L.P., their administrative general partner and co-general partner (respectively), exercise discretion)*

CMS Procaccianti Hotel Opportunity Fund III, L.P. *(CMS/Proc Associates III, L.P. and CMS 2005 Investment Partners RE, L.P., its administrative general partner and co-general partner (respectively) exercise discretion)*

CMS Procaccianti Hotel Opportunity Fund III-Q, L.P. *(CMS/Proc Associates III, L.P. and CMS 2005 Investment Partners RE-Q, L.P., its administrative general partner and co-general partner (respectively, exercise discretion)*

CMS Value Real Estate Fund II, L.P. *(CMS/VRE Associates II, L.P. and CMS 2007 Investment Partners RE, L.P., its administrative general partner and co-general partner (respectively, exercise discretion)*

CMS Value Real Estate Fund II-Q, L.P. *(CMS/VRE Associates II, L.P. and CMS 2007 Investment Partners RE-Q, L.P., its administrative general partner and co-general partner (respectively, exercise discretion)*

CMS Value Real Estate Fund, L.P. and CMS Value Real Estate Fund Q, L.P. *(CMS VRE Associates, L.P. and CMS 2003 Investment Partners (Q), L.P., their administrative general partner and co-general partner (respectively) exercise discretion)*