

**Part 2A of Form ADV: Firm Brochure**

**Crest Rock Management Company LP**

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*This brochure provides information about the qualifications and business practices of Crest Rock Management Company LP ("Crest Rock" or the "Company"). If you have any questions about the contents of this brochure, please contact us at 303-495-3598 or contact Kyle Covell, our Chief Compliance Officer, at KCovell@crestrockpartners.com. The information in this brochure has not been approved or verified by the SEC or by any state securities authority.*

*Additional information about the Company is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).*

*The Company is an investment adviser that is registered with the United States Securities and Exchange Commission (the "SEC"). Registration with the SEC as an investment adviser does not imply a certain level of skill or training.*

## **Item 2:     Material Changes**

Since Crest Rock’s last amendment on April 30, 2021, the Company has moved its primary office location.

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## Item 4: Advisory Business

Crest Rock Management Company LP (“Crest Rock” or the “Company”) is an investment advisory firm based in Denver, Colorado, that was founded in 2019 by Steve Johnson and Jeff Carnes to manage private equity investments primarily in the software and technology sectors. The Company is organized as a Delaware limited partnership. The principal owners of Crest Rock are Steve Johnson and Jeff Carnes.

Crest Rock sponsors and manages private equity funds that focus on investments primarily in the software and technology sectors (together with any related parallel funds and alternative investment vehicles, the “Funds”). It is anticipated that Crest Rock will also sponsor and manage other investment vehicles (“Co-Investment Vehicles”) that will offer investors opportunities to co-invest alongside the Funds in software and technology investment opportunities.

Crest Rock also sponsors and manages other private investment funds formed to allow certain principals, employees and operating professionals of Crest Rock and its affiliates, as well as certain other persons, to invest in certain portfolio investments made by a Fund, as applicable (collectively, the “Executive Funds”).

Crest Rock currently manages three Funds: Crest Rock Fund I-A LP (“Fund I-A”), Crest Rock Fund I-B LP (“Fund I-B”), and one Executive Fund, Crest Rock Fund I-Executive LP (“Fund I-Executive”). Funds I-A and I-B have some related ownership in their limited partners and are collectively, including the Fund I-Executive, managed on a pro-rata basis.

Each Fund is exempt from registration under the Investment Company Act of 1940, and the offering of interests in each Fund is conducted through a “private offering” that is exempt from registration under the Securities Act of 1933. Responsibility for managing each Fund, including all day-to-day operations and investment activities, has been delegated to the Company by the Funds’ general partner (“General Partner”).

Crest Rock’s investment advisory services to the Funds consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving dispositions for such investments. Investments are made predominantly in non-public companies, although investments in public companies are permitted in certain instances. From time to time, the senior principals or other personnel of Crest Rock may serve on the boards of directors (or other governing bodies) of such portfolio companies held by the Funds or otherwise act to influence control over management of portfolio companies in which the Funds have invested.

As the investment adviser to the Funds, Crest Rock invests each Fund’s assets pursuant to an investment advisory agreement that the Fund enters into with Crest Rock, and in accordance with the Fund’s limited partnership agreement, private placement memorandum, side letters and other governing documents (the “Fund Governing Documents”). Crest Rock conducts its investment advisory activities so as to comply with the investment objective, guidelines and restrictions set forth in each Fund’s Governing Documents, as the same may be amended from time to time. However, Crest Rock does not tailor its investment activities on behalf of a Fund to the needs of any individual investor in a Fund.

Each Fund may enter into side letters or other similar agreements with certain investors in the Fund that have the effect of establishing rights under, supplementing or altering the Fund’s Governing

Documents. Such alterations could be regarding economic terms, fee structures, excuse rights, information rights, co-investment rights (including the provision of priority allocation rights to investors who have capital commitments in excess of certain thresholds to one or more Funds), or transfer rights. The existence and terms of these side letters are not generally disclosed to other investors in the Fund.

As of the date of December 31, 2020, Crest Rock has \$478,184,110 in regulatory assets under management.

## **Item 5: Fees and Compensation**

### Fees

Crest Rock receives an asset-based management fee from each Fund that is payable quarterly in advance, as further described in the applicable Fund Governing Documents. If Crest Rock's advisory agreement with a Fund is terminated, management fees will be charged on a *pro rata* basis through the date of termination, and any fees paid in advance but not earned will be refunded. The fund administrator issues capital calls to investors on behalf of the general partner of each Fund, which are paid directly to the respective Fund. Crest Rock management fees are paid at the fund level prior to proceeds being transferred to Crest Rock. In addition to the management fees described above, Crest Rock is also entitled to receive a carried interest allocation from the Funds after certain performance hurdles have been met, as further described in the applicable Fund Governing Documents. Such carried interest represents a portion of a Fund's net realized investment profits.

It is anticipated that Crest Rock may receive similar asset-based management fees and carried interests from the Co-Investment Vehicles that it organizes in the future. Investors in Crest Rock's Funds should review the applicable Fund Governing Documents carefully for a full description of the fee revenues and other compensation that Crest Rock will receive from such Fund. The Executive Funds do not pay a management fee and are not subject to a carried interest.

The management fees and carried interest are generally subject to waiver or reduction by the general partner with respect to some or all of a Fund's investors in the general partner's sole discretion, as further described in the applicable Fund Governing Documents.

80% of any transaction, directors', management, monitoring, consulting and break-up fees and other similar fees received by Crest Rock and its affiliates and employees in connection with a Fund's investments, net of unreimbursed transaction expenses incurred by Crest Rock or its affiliates (until the amount of fees retained by Crest Rock for a fiscal year exceeds \$250,000, and thereafter for that year, 100% of such fees), will be applied to reduce the Fund's management fee for the following quarterly period ("Transaction Fees"). For the avoidance of doubt, Transaction Fees will only include the portion thereof that is allocable to the Fund and will exclude any consideration paid to the Specialized Operations Group (as defined below). To the extent such offsets would reduce a Fund's management fee for a given quarterly period to below zero, such offsets will be carried forward and reduce future installments of the management fee. If upon dissolution of a Fund, any excess Transaction Fee remains, the Company will return to the Fund for the benefit of the Partners an amount equal to such unapplied excess amount; *provided*, that any investor may waive its right to receive its *pro rata* portion of such amount.

In general, each Fund bears all costs and expenses incurred in connection with the organization of the Fund, including legal and accounting fees, printing costs, travel and other out-of-pocket expenses,

and all costs and expenses incurred in connection with the offering of interests in the Fund (but excluding any placement fees) ("Organizational Expenses"), up to a maximum amount specified in the applicable Fund Governing Documents. Organizational Expenses in excess of this amount, and any placement fees, will be paid by the Fund but borne by Crest Rock through a 100% offset against the Fund's management fee.

### Expenses

In addition, each Fund is generally responsible for all expenses relating to its own operations ("Fund Expenses"), including, without limitation, (a) any management fees, (b) fees, costs and expenses related to the discovery, evaluation, purchase, holding, development, management, monitoring and sale of investments, including, without limitation, travel, accommodation, meal and entertainment expenses related to such investments or prospective investments, syndication fees, bank charges, closing and execution costs, sales commissions, appraisal fees and taxes, (c) principal, interest, fees, costs and expenses and other amounts payable relating to financings, (d) fees, costs and expenses relating to third-party services, including custody, legal, accounting, consulting, investment banking, administrative, tax, audit, depositary, safekeeping and other professional costs, including those provided by affiliates of the Fund's general partner or Crest Rock, (e) allocable total compensation (inclusive of bonus and benefits) of in-house attorneys, accountants, tax advisors and other professionals based upon the percentage of such person's documented business time allocated to matters related to Fund business, including, for the avoidance of doubt, investments (which compensation may be charged to, and paid directly by, the applicable portfolio company in lieu of the Fund), (f) reimbursement of expenses and costs of the Specialized Operations Group or any member thereof, employees or other Persons engaged by the Specialized Operations Group or any member thereof, and unreimbursed expenses and unpaid fees of the Specialized Operations Group or any member thereof, employees or other Persons engaged by the Specialized Operations Group or any member thereof, (g) fees, costs and expenses allocable to the participation of any employee of a portfolio company as a beneficiary of any insurance policy or benefit plan of Crest Rock or an affiliate thereof or to the utilization by any employee of a portfolio company of any office space of Crest Rock or an affiliate thereof (which fees, costs and expenses may be charged to, and paid directly by, the applicable portfolio company), (h) any insurance or indemnity expenses (including the cost of premiums with respect to any directors and officers or similar insurance for the employees of Crest Rock), (i) fees, costs and expenses relating to the Fund's administration (including administrative services provided by affiliates of the Fund's general partner or Crest Rock), including preparation of its financial statements and reports to investors, (j) fees, costs and expenses relating to meetings of partners, (k) fees, costs and expenses relating to the Fund's limited partner advisory committee, including out-of-pocket expenses of its members, (l) any taxes, fees or other governmental charges levied against the Fund, (m) fees, costs and expenses relating to unconsummated transactions, including, without limitation, the fees, costs and expenses described in clause (b) above, and including amounts that would otherwise have been borne directly or indirectly by potential co-investors (including the Co-Investment Vehicles) were such transactions consummated, (n) fees, costs and expenses related to the dissolution and liquidation of the Fund, (o) fees, costs and expenses incurred in connection with any restructuring or amendments to the constituent documents of the Fund, (p) expenses relating to defaults by investors in the payment of capital contributions, (q) fees, costs and expenses (and damages) related to regulation, litigation, government inquiries, investigations or proceedings, in each case related to the Fund or its investments, (r) expenses of the Fund's general partner and Crest Rock related to the preparation and filing of Form PF, (s) fees, costs and expenses relating to compliance or filings related to the European Alternative Investment Fund Managers Directive, (t) fees, costs and expenses relating to complying with the reporting requirements of Sections 1471 through 1474 of the U.S. Tax Code and certain regulations and other

administrative guidance thereunder, (u) in the case of clauses (o) through (t) above, similar regulations and administrative requirements in other jurisdictions, and (v) fees, costs and expenses incurred in connection with administering side letters entered into with investors, including the distribution and implementation of any applicable elections pursuant to “most-favored nation” or similar clauses.

In some cases, a Co-Investment Vehicle or Executive Fund may be formed in connection with the consummation of a transaction. Accordingly, where such a proposed transaction is not consummated, no Co-Investment Vehicle or Executive Fund generally will have been formed, and the full amount of any broken deal expenses relating to any such proposed transaction would therefore be borne by the Fund or Funds selected by the applicable General Partner as proposed investors for such proposed transaction.

The applicable Fund Governing Documents for each Fund has provisions that allow such Funds to borrow money for investment and other purposes, which borrowings may be secured by a Fund’s capital commitments. Such borrowings may be made prior to capital being called from the Fund’s investors or even in lieu of calling capital. This mechanism may defer investor capital calls and provides a form of leverage that can have the effect of amplifying a Fund’s reported net internal rate of return (IRR), particularly in the early years of a Fund’s investment life. Such borrowings can also accelerate the date upon which a Fund’s preferred return will be achieved for purposes of determining when Crest Rock is entitled to begin receiving carried interest allocations from the Fund. In accordance with the terms of the applicable Fund Governing Documents, interest payments and other fees and expenses incurred in respect of such borrowings are Fund Expenses and such expenses will decrease a Fund’s net returns over time.

Investors and prospective investors in each Fund should refer to the applicable Fund Governing Documents for more detailed information concerning the fees, carried interest and other expenses that a Fund will bear.

#### Specialized Operations Group

Crest Rock intends to employ or retain non-investment professionals to assist the Funds, their respective portfolio companies or the Company in its operational due diligence and capital sourcing for prospective and consummated transactions and in post-closing operating initiatives for Fund portfolio companies, including, for example, manufacturing, sales, marketing, finance, tax, technology, information technology, financing, legal, human resources and/or other operations services (such assistance, collectively, “Specialized Operational Services”). Specialized Operational Services may be performed by employees of Crest Rock or by certain third-party operating professionals who are independent contractors of Crest Rock, a Fund, a portfolio company, or an affiliate of any of the foregoing. Such Crest Rock and third-party operating professionals (whether or not employed or engaged by Crest Rock) are hereinafter referred to collectively as the “Specialized Operations Group.”

The Funds, directly or through portfolio companies in which they invest, bear the cost of Specialized Operational Services provided by the Specialized Operations Group. Members of the Specialized Operations Group may receive compensation from Fund portfolio companies or from a Fund (including through the reimbursement of fees or other compensation initially paid by the Company or applicable general partner, which may be borne by a Fund through a reduction in the offset to the management fees for certain non-investment advisory fees received by the Company or its affiliates in connection with the Funds’ investments and portfolio companies). Such compensation will not offset or reduce the management fee and, thus, will not be covered by the management fee.

## **Item 6: Performance-Based Fees and Side-By-Side Management**

As noted in [Item 5](#) above, Crest Rock will be entitled to receive a carried interest allocation from the Funds after certain performance hurdles have been met, and it is anticipated that Crest Rock will also be entitled to receive carried interest allocations from Co-Investment Vehicles in the future. These performance-based carried interest distributions may create conflicts of interest, including an incentive for Crest Rock to engage in riskier or more speculative investments on behalf of the Funds than might otherwise be the case. In addition, in allocating investment opportunities, it is possible that Crest Rock could have an incentive to favor clients with a potential for performance-based compensation over clients with no performance-based compensation. Crest Rock has adopted policies and procedures that are designed to ensure that all of its clients are treated in a fair and equitable manner with respect to the allocation of investment opportunities. In addition, for the time being, there is only one fund family actively investing.

## **Item 7: Types of Clients**

As of the date hereof, Crest Rock's only clients are the Funds and one Executive Fund, with the anticipation of future Co-Investment Vehicles. Investors in the Funds generally include endowments, foundations, public and private pension funds, funds-of-funds, corporations, U.S. institutional investors, family offices, and high net worth individual investors.

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

### **Methods of Analysis; Investment Strategies**

The Funds focus on control investments in lower-middle market companies primarily across the software and technology sectors. The Funds focus primarily on investment opportunities in North America. Crest Rock targets opportunities for the Funds that will benefit from the team's experience building and operating companies primarily in the software and technology sectors.

### **Investment Process**

Crest Rock utilizes a carefully refined investment process, built from the co-founders experience, to efficiently source, screen and evaluate a high volume of targets, ensuring only the most compelling opportunities result in investments.

The Crest Rock investment process is enabled by the Company's sourcing engine, which is designed to provide continuous deal flow. Opportunities generated by the Company's sourcing efforts are reviewed on an ongoing basis and discussed at a firm-wide meeting (the "[Weekly Meeting](#)"). The Weekly Meeting is also a regular forum for discussing the current portfolio, resource allocation and other general and administrative matters, all of which are managed by the partners of Crest Rock on an ongoing basis.

Crest Rock applies senior judgment to investment opportunities early in the process, with the co-founders involved from the outset, assisting in early screening and leading due diligence efforts with the goal of identifying the most attractive opportunities that meet the Company's investment criteria. During the Company's comprehensive due diligence process, a strategic plan is created that outlines the initiatives Crest Rock plans to implement to drive value creation. Once an investment is made,



Crest Rock will work closely with portfolio company management to oversee and guide the execution of the strategic plan.

### Active Management to Transform Companies through Value Creation

Once an investment has been made, Crest Rock typically takes an active role in seeking to grow the portfolio company, optimize financial performance and maximize returns for its investors. Crest Rock works closely with the portfolio company's management team to monitor the progress of any initiatives being implemented and respond to any opportunity or challenge that portfolio company may face. Throughout this process, Crest Rock also engages other operational advisors who contribute additional strategic insights and operational capabilities. Key areas of focus include organizational improvements, strategic initiatives, operational efficiency and technological transformation.

### Exit Strategies

Crest Rock's investment strategy strives to invest in and grow strategic businesses with multiple exit strategies and opportunities, with an average expected hold period of four to five years. As Crest Rock is executing on the deal team's strategic plan and has continued opportunity to implement operational improvements, the Company generally will not look to sell the business. The Company seeks to hold performing investments and to grow them both organically and through add-on acquisitions. The intrinsic nature of turnaround/value investing increases the possibility for rapid value creation as exit potential generally increases once a business is returned to profitability or situational distress is repaired. Throughout the investment lifecycle, contact is maintained with potential exit partners including strategic buyers, financial buyers, investment bankers and key opinion leaders. Crest Rock reviews company specific performance and outlook, as well as general market conditions in both public and private capital markets, to determine the best form of and timing for each exit.

### Risk Factors

The investment strategies pursued by Crest Rock involve a number of significant risks. These investment strategies may be deemed to be speculative, and such investment strategies are not intended as complete investment programs. They are designed for sophisticated investors who fully understand and are capable of bearing the risk of such investments. Investment risks include, but are not limited to, the following:

- *Limited Number of Investments.* The investment strategies pursued by Crest Rock involve making illiquid private investments in a relatively small number of portfolio companies. As a result, it is anticipated that the portfolios managed by Crest Rock will be highly concentrated, and the failure of even one of these investments could have a materially adverse impact on a portfolio's overall performance.
- *Sector Concentration.* Crest Rock intends to primarily concentrate its investment activities primarily in the software and technology sectors, and a Fund's investments may be concentrated in a particular issuer, industry or geographic region, with the result that the overall value of a Fund's investments will become more susceptible to adverse economic or business conditions affecting any such sector, issuer, industry or region. The Funds' performance will depend heavily on the economic prospects of the software and

technology sectors, which will be influenced by a number of economic, market and other factors that are beyond Crest Rock's ability to control.

- *Investments in Start-Up and Growth Companies.* The businesses of the portfolio companies in which Crest Rock invests are subject to significant risks, including strategic, financial, technical or other challenges. Some of these portfolio companies may be highly leveraged and exit strategies may be uncertain at the time an investment in the portfolio company is made. The success of these investments is highly dependent on the ability of the managers of the portfolio companies to successfully navigate these and other challenges.
- *Overseas Investing.* Although Crest Rock currently focuses on investments in North America, Crest Rock generally reserves the right to invest overseas. Investing overseas entails additional investment risks, including currency risk, lack of transparency and the risk of operating in markets with less well-developed legal systems to protect the rights of investors and creditors.
- *Illiquid Investments.* Investments in the Funds are generally illiquid, and interests in the Funds may generally not be transferred without the prior consent of the Fund's general partner and the satisfaction of certain other conditions as described in the respective limited partnership agreement. Investors in the Funds are able and prepared to maintain their investments in the Funds over the entire life of the Fund.
- *Passive Investments.* Investments in the Funds are passive investments. Investors in the Funds have no control over the day-to-day operations of the Funds and limited rights to protect themselves if they become dissatisfied with the manner in which a Fund is being operated. Investors in the Funds are highly dependent on the investing skills and management abilities of Crest Rock to achieve success.
- *Valuation.* Determining the valuation of the portfolio companies in which Crest Rock invests is a specialized and difficult task that relies heavily on business judgment. There can be no assurance that the Funds will be able to realize their investments at a price that is commensurate with the value at which such investments will be carried.
- *Collective Investment Vehicle.* Each Fund is managed in a manner that is consistent with the best interests of the Fund as a whole, which is not necessarily consistent with the best interests of each or any individual investor in a Fund. For example, Crest Rock may structure investments so as to maximize tax efficiency for a Fund, but which may not be the most tax advantageous structuring possible for an individual investor, depending on that investor's own particular facts and circumstances.
- *Competition for Investment Opportunities.* The competition for sourcing investments in private equity opportunities is becoming increasingly intense. There can be no assurance that Crest Rock will be able to source a sufficient number of suitable investments at reasonable valuations to achieve its investment objective.
- *Risk of Loss.* No guarantee or representation can be made that any Fund will achieve its investment objective or that investors will receive a return of their capital. All investing involves a risk of loss and the investment strategies pursued by the Funds could lose money over short or even long periods of time. Existing and prospective investors in any

Fund are advised to review the applicable Fund Governing Documents for full details on the Fund's investment, operational and other actual and potential risks.

- *Cyber Security Breaches and Identity Theft.* As the use of technology has grown, there are ongoing cybersecurity risks that make the Company and the Funds (including portfolio companies) susceptible to operational and financial risks associated with cybersecurity. To the extent that the Company is subject to a cyber-attack or other unauthorized access is gained to its systems, the Company and the Funds may be subject to substantial losses in the form of theft, loss, misuse, improper release or unauthorized access to confidential or restricted data related to the Company or the Funds. Cyber-attacks affecting the Company's or the Funds' service providers holding financial or investor data may also result in financial losses to the Funds and their investors, despite efforts to prevent and mitigate such risks under the Company's policies. While the Company has developed measures that are designed to reduce the risks associated with cybersecurity, there are inherent limitations in such measures and there is no guarantee those measures will be effective, particularly because the Company or the Funds do not directly control the cybersecurity measures of service providers, financial intermediaries and portfolio companies.
- *Public Health Risk.* Certain countries have been susceptible to epidemics, such as severe acute respiratory syndrome, avian flu, H1N1/09 flu and most recently, the new coronavirus. The outbreak of an infectious disease or any other serious public health concern, together with any resulting restrictions on travel or quarantines imposed, could have a negative impact on the economy, and business activity of the Funds and the portfolio companies in which the Funds may invest, and thereby adversely affect the investment performance of the Funds.
- *Environmental, Social, Governance ("ESG") Investing.* While ESG is only one of the many factors that the Company will consider in making an investment, there is no guarantee that the Company will successfully implement and make investments in companies that create positive ESG impact while enhancing long-term shareholder value and achieving financial returns. To the extent that the Company engages with companies on ESG-related practices and potential enhancements thereto, such engagements may not achieve the desired financial and social results, or the market or society may not view any such changes as desirable. Successful engagement efforts on the part of the Company will depend on the Company's skill in properly identifying and analyzing material ESG and other factors and their impact-related value, and there can be no assurance that the strategy or techniques employed will be successful. Considering ESG qualities when evaluating an investment may result in the selection or exclusion of certain investments based on the Company's view of certain ESG-related factors and carries the risk that investments may underperform because the market may ultimately have a different view of a particular company's performance that the Company anticipated.

As noted in Item 5, the Fund Governing Documents generally provide that the Funds are responsible for all costs and expenses in connection with their operation, other than the costs and expenses that are expressly the responsibility of Crest Rock, its affiliates or other third parties. A conflict of interest could arise in Crest Rock's determination of whether certain costs or expenses that are incurred in connection with the operation of the Fund meet the definition of "Fund Expenses" for which the Funds are responsible, or whether such expenses should be borne by Crest Rock or its affiliates. The Funds are reliant on the determinations of Crest Rock in this regard, and also in regard to the fair and

equitable allocation of investment expenses and any common operating expenses among the Funds and any other affiliates of Crest Rock.

As a result of the various forms in which the Specialized Operations Group may be compensated and by whom, as well as the Company's role in determining whether a member of the Specialized Operations Group will provide services to a portfolio company, serve on its board of directors or be hired as an executive officer and the potential economic benefits to the Company and members of the Specialized Operations Group that may result therefrom, conflicts and risks can arise when the Company is determining whether a member of the Specialized Operations Group will provide those services or serve in those capacities. As disclosed in Item 4, Crest Rock will sponsor and manage Co-Investment Vehicles (and co-investments) which will allow investors to co-invest alongside the Funds or portfolio companies. The Company may also offer service providers, consultants and other persons, including advisors ("Strategic Investors"), the opportunity to participate in co-investments based on the Company's determination that such persons' investments would potentially result in strategic benefits to, or establish, recognize, strengthen or cultivate relationships that have the potential to provide other longer-term benefits to, a Fund or such portfolio company, or in an effort to align such persons' interests with the Fund or a portfolio company. However, there can be no assurance that Strategic Investors will provide any benefits perceived or expected by the Company. Crest Rock will determine which Fund will, or is required to, participate in the relevant investment opportunity. Crest Rock generally assesses whether an investment opportunity is appropriate for a particular Fund based on the Fund's Partnership Agreement, investment objectives, strategies, life cycle and structure. Crest Rock will determine if the amount of an investment opportunity in which a Fund will invest exceeds the amount that would be appropriate for such Fund and any such excess may be offered to one or more potential co-investors, as determined by the Partnership Agreements, Side Letters and Crest Rock's procedures regarding allocation. Decisions regarding whether and to whom to offer co-investment opportunities may be made by Crest Rock or its related persons in consultation with other participants in the relevant transactions, such as a co-sponsor. Co-investment opportunities may, and typically will, be offered to some and not to other investors. Crest Rock attempts to mitigate such conflicts of interest and attempts to allocate investment opportunities in a fair and equitable manner.

Other conflicts of interest may exist. Please review the conflicts of interest section of the respective Fund's Offering Documents for more information regarding how Crest Rock mitigates such risks.

## **Item 9: Disciplinary Information**

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of the Company's advisory business or the integrity of its management.

## **Item 10: Other Financial Industry Activities and Affiliations**

Neither Crest Rock nor any of its directors, officers or principals is registered, or has an application pending to register, as a broker-dealer or as a registered representative of a broker-dealer.

Neither Crest Rock nor any of its directors, officers or principals is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or as an associated person of any of the above.

As previously disclosed in Item 4, the Company is affiliated with the Funds' General Partner.

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

Crest Rock has established a code of ethics (the "Code of Ethics") that sets forth standards of ethical conduct for its professionals. The Code of Ethics addresses standards for treating clients ethically, addressing potential conflicts of interest and monitoring and restricting personal trading by Crest Rock and its affiliates and professionals. In addition, the Company has established policies and procedures that address, among other things, potential conflicts of interest that might arise in the management of client assets.

As a general rule, Crest Rock does not buy or sell securities of public companies. However, from time to time, Crest Rock personnel will come into possession of material non-public information related to public companies. In such circumstances, employees must comply with all applicable securities laws on so-called insider trading. Crest Rock at all times maintains a list of securities of any companies that the Company is actively evaluating for purchase in a client's account, in which a client account holds an interest, or about which Crest Rock might have received material non-public information (the "Restricted List"). The Chief Compliance Officer updates the Restricted List as appropriate. Securities are removed from the Restricted List when information is no longer material and an appropriate "cooling off period" has lapsed. In addition, Crest Rock personnel are required to pre-clear all personal trades with the Chief Compliance Officer involving securities that are offered pursuant to a private placement or initial public offering, and securities that are issued by a company on the Restricted List.

Crest Rock's employees may not take for their own advantage an opportunity that rightfully belongs to Crest Rock or its clients, may not use Company or client property, information or position for personal gain, and may not compete directly or indirectly with Crest Rock or the Funds.

Crest Rock's employees and controlled persons must certify no less than annually that they have read and agree to comply in all respects with the Code of Ethics and that they have disclosed or reported all personal securities transactions, holdings and accounts required to be disclosed or reported by the Code of Ethics.

Additionally, the Code of Ethics provides for a range of sanctions should anyone violate the Code of Ethics. These sanctions include, but are not limited to, a warning, fines, disgorgement, and suspension or termination of employment.

The paragraphs above only represent a summary of key provisions in the Code of Ethics. Crest Rock will provide a copy of the entire Code of Ethics to any client or prospective client (including any investor therein) upon request.

Because the general partner of a Fund is an affiliate of Crest Rock, the Company has a material interest that could create conflicts that must be managed. In general, each Fund may have a limited partner advisory committee. In the case of Fund I-A, Fund I-B, and Fund I-Executive, there is one limited partner advisory committee due to their related ownership and investments. The seats of the limited partner advisory committee are filled by investors that represent a significant percentage of the Fund's committed capital and that are not affiliates of Crest Rock or the general partner, that reviews transactions where a potential conflict of interest exists, pursuant to the applicable provisions of the Fund's limited partnership agreement.

Client, investors, and prospective investors may contact Crest Rock to request a copy of its *Code of Ethics*.

## **Item 12: Brokerage Practices**

Crest Rock's advisory business generally involves privately negotiated transactions in which best execution obligations do not arise in the same context as transactions in publicly traded securities. With respect to such private transactions, Crest Rock believes it fulfills its best execution responsibilities through careful evaluation and negotiation of the terms of each such transaction.

However, while it is not anticipated, Crest Rock could from time to time purchase or sell publicly traded securities. In such circumstances, Crest Rock considers various factors in determining which broker is most likely to deliver best execution including, but are not limited to, the Company's knowledge of negotiated commission rates and spreads currently available; the nature of the security or instrument being traded; the size and type of the transaction; the nature and character of the markets for the security or instrument to be purchased or sold; the desired timing of the trade; the activity existing and expected in the market for the particular security or instrument; confidentiality; the execution, clearance, and settlement capabilities as well as the reputation and perceived financial soundness of the broker selected and other brokers considered; Crest Rock's knowledge of actual or apparent operational problems of any broker; the broker or dealer's execution services rendered on a continuing basis and in other transactions; and the reasonableness of spreads or commissions.

Crest Rock does not maintain relationships with broker-dealers that feature soft-dollar benefits or referral arrangements.

## **Item 13: Review of Accounts**

Crest Rock monitors each of the investments it makes in portfolio companies on an ongoing and continuous basis.

On a quarterly basis, investors in each Fund receive written financial reports, including an unaudited balance sheet, a statement of net income or net loss, a statement of changes in financial position or a cash flow statement, and a supplemental statement of such investor's capital account. On an annual basis, investors in each Fund also receive audited financial statements of the Fund, valuations of all of the Fund's investments, and tax information necessary for the completion of U.S. tax returns.

## **Item 14: Client Referrals and Other Compensation**

Crest Rock has engaged a third-party placement agent to introduce potential investors to the Funds. Depending on the specific arrangement, Crest Rock has paid a placement fee, which was be calculated as a percentage of the commitment amount of the investor. When Crest Rock has compensated a placement agent for referring an investor, such arrangements are disclosed in writing to all relevant investors. In all cases, placement fees are borne entirely by the Company through management fee offsets.

## **Item 15: Custody**

Crest Rock is deemed to have custody over the Funds due to its affiliation with the Funds' general partner. With respect to each Fund, a PCAOB-registered independent public accountant will audit the Fund's financial statements annually, and the audited financial statements are distributed to the investors of the Fund within 120 days of the Fund's fiscal year end.

## **Item 16: Investment Discretion**

In general, advice to the Funds is provided on a discretionary basis. The terms and conditions governing Crest Rock's discretion over the investments made on behalf of its clients is set forth in writing in the applicable investment management agreement or Fund Governing Documents.

## **Item 17: Voting Client Securities**

In accordance with Rule 206(4)-6 of the Advisers Act, Crest Rock has adopted and implemented written policies and procedures governing the voting of client securities. The Funds are primarily invested in privately held portfolio companies that do not typically issue proxies. However, in the event proxies have to be voted, Crest Rock will generally be responsible for voting proxies on behalf of its clients. Crest Rock will vote client proxies in a way that it believes will maximize value for its clients. In exercising its voting discretion, Crest Rock and its employees will seek to avoid any direct or indirect conflict of interest raised by such voting decision. All conflicts of interest will be resolved in the interests of Crest Rock's clients.

A copy of Crest Rock's written proxy voting policies and procedures, as well as a record of how the Company has voted, if applicable, will be maintained and be made available for client review upon written request.

## **Item 18: Financial Information**

Crest Rock is not aware of any financial conditions that are reasonably likely to impair its ability to meet its contractual obligations to its clients. Crest Rock has never been the subject of a bankruptcy petition.