

# Harvest Management, LLC

## Part 2A of Form ADV

### The Brochure

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This brochure provides information about the qualifications and business practices of Harvest Management, LLC (“Harvest”). If you have any questions about the contents of this brochure, please contact us at (212) 634-3600. 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.

Additional information about Harvest is also available on the SEC’s website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Material Changes

This brochure contains information about Harvest and there have been no material changes since the most recent version, dated January 2023.

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## Advisory Business

Harvest Management, L.L.C. (“Harvest”) was founded in 1993 and its principal owners include Marjorie Gochberg Kellner and Nathaniel Bohrer. Harvest manages assets on a discretionary basis in two private investment funds, Harvest Capital, L.P. and Harvest Capital Enhanced, L.P. (the “Funds” or “Clients”) and two managed accounts. As of December 31, 2022, Harvest’s AUM is \$257MM. Harvest Advisors, L.L.C., a limited liability company affiliated with Harvest, and controlled by Ms. Gochberg Kellner and Mr. Bohrer, serves as the general partner (“General Partner”) of the Funds.

## Fees and Compensation

Harvest is compensated for providing services to the Funds as set forth in the respective Limited Partnership Agreement and other Fund offering materials. The compensation includes both management fees, which are payable quarterly in advance, quarterly in arrears or monthly in advance depending on the Fund, and performance-based fees. The Funds’ annualized management fee is 1% and the SMA has a fixed management fee, while the performance-based fees generally range from 15% to 20% of the net capital appreciation. Notwithstanding such the negotiability of the management and/or performance-based fees are subject to the discretion of Harvest and/or the General Partner, and under certain circumstances other rates may be charged. Since the Funds’ Limited Partnership Agreements limit the rights of Fund investors, except under

limited circumstances, to withdraw from the Funds, investors will not be able to relinquish their obligation to pay the management and performance-based fees specified in Fund offering materials, once they are admitted into the Funds.

In addition to Management and Performance fees, Investors will bear indirectly the fees and expenses charged to the Funds. Those fees include expenses of portfolio transactions such as brokerage commissions and custody charges, interest and commitment fees on loans and debit balances, entity-level taxes, governmental fees, legal fees and costs, organizational expenses, accounting and audit expenses, and professional fees of consultants incurred in connection with the operations of the Funds.

The fees and expenses applicable to each Fund are set forth in detail in each of the Fund's respective offering documents and prospective and current Investors are strongly encouraged to review those materials to fully understand the total amount of fees and expenses to be paid by the Funds.

Harvest and its personnel may invest in one or more of the Funds and Harvest's personnel are not charged a Management Fee or a performance fee by the applicable Funds. However, those Investors are allocated their pro-rata share of other expenses paid by the Funds. Finally, the General Partner reserves the right to waive or impose different fees or otherwise modify the fee arrangements of an existing Investor with the consent of such Investor. In addition, each Fund reserves the right to impose different fees on future Investors.

Depending on the particular Fund that an Investor is invested in, Investors may make partial or full withdrawals of their interests in the Fund at the end of each calendar month, quarter or year end ("Withdrawal Date") upon 25 to 45 days prior written notice to Harvest. Investors in one Fund in which the Withdrawal Dates are at the end of each year end may also make partial or full withdrawals of their interest at the end of each calendar month end upon at least 25 days prior written notice provided that a penalty fee equal to 3.5% of the amount withdrawn for any such non-year end withdrawal is paid to the respective Fund. Investors in another Fund in which the Withdrawal Dates are at the end of each calendar quarter may also make partial or full withdrawals of their interest at the end of each calendar month end upon at least 25 days prior written notice provided that a penalty fee equal to 3% of the amount withdrawn for any such non-quarter end withdrawal is paid to the respective Fund.

The actual distribution of assets based on Investor withdrawal requests will be made within 15 or 30 days (depending on which Fund the investor is invested in) following the Withdrawal Date. An Investor who is withdrawing 95% or more of their interest, shall be paid 95% of the estimated withdrawing Investor's interest amount in the respective Fund within 15 or 30 days following the Withdrawal Date and the balance with interest within 30 days after completion of the respective Fund's audit. In addition, should an Investor redeem their shares, in whole or in part, any incentive based fee accrued to date will be charged to the Investor accordingly.

## **Performance Based Fees and Side-by-Side Management**

As stated in the *Fees and Compensation* section above, Harvest charges performance-based fees. The General Partner participates in the investments of the Funds pro rata in accordance with capital accounts and receives an annual incentive allocation that is calculated at a rate ranging from 15% to 20% (depending on the Fund) of the net capital appreciation, realized and unrealized, allocated to each Investor in the Funds for a fiscal year, provided, however, that an incentive allocation will only be made with respect to the excess of the net capital appreciation: (i) after recovery of any prior years' losses attributable to such Investor; and (ii) in the case of two of the Funds, subject to a hurdle rate, catch-up provisions and any prior loss carryforwards.

Any performance-based compensation is calculated in accordance with Rule 205-3 under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). Such compensation is generally not negotiable, but under special circumstances other rates may be charged as determined by Harvest and/or the General Partner. The existence of a performance-based fee component to an advisory relationship may create an incentive for an adviser to make investments that are riskier or more speculative than would be the case in the absence of the performance-based compensation arrangement. However, notwithstanding the potential conflict, Harvest manages the Funds in accordance with investment mandates set forth in offering documents and/or advisory agreements to ensure that it is managing the Funds in accordance with defined investment objectives.

## **Types of Clients**

The Funds are partnerships and limited liability companies formed in U.S. that primarily invest in "event driven" strategies, including merger arbitrage, special situations, long/short equity and investments in distressed securities.

The Investors in the Funds may include, among others, Harvest employees, U.S. high net worth individuals, corporations, trusts, institutions, financial institutions, and government entities. The Funds have a minimum initial subscription requirement of \$1 million, subject, in each case, to the discretion of Harvest and/or the General Partner to accept lesser amounts.

The Funds and/or Harvest will be authorized, without the approval of any Investor, to enter into "side letters" or similar written agreements with investors that have the effect of establishing additional and/or more favorable rights under, or altering or supplementing the terms of the Limited Partnership Agreement, such Investor's Subscription Agreement or other related agreements. The ability of other Investors to elect to receive the benefit of such side agreements may be limited by Harvest and/or the General Partner.

## **Methods of Analysis, Investment Strategies and Risk of Loss**

As noted, Harvest's investment program primarily consists of "event driven" investing, specifically merger arbitrage, special situations, long/short equity and investments in distressed securities. The Fund's investment objective is to make investments, both long and short, principally in the securities of public companies that are believed to be undervalued or overvalued

with the objective of substantial capital appreciation over a short to intermediate term time horizon. The Funds emphasizes investments in situations where an "event" or "events" have triggered a major structural transformation in a specific company or industry; or a change in "the market's" perception of the future outlook for a specific company or industry. In evaluating potential investments, Harvest seeks to identify the catalyst or catalysts causing a real or perceived transformation, such as: a management reorganization, proxy fight, spin-off, sale of divisions, assets or subsidiaries, takeover offer or agreement, acquisition, liquidation or bankruptcy. Once a potential investment situation has been identified, Harvest attempts to determine the underlying asset value of the security and calculate the probability of the market rectifying the undervalued or overvalued nature of the security. In situations where the probability of the market reevaluation is high, and the trade-off between risk and reward (adjusted for such probabilities) is favorable, Harvest takes the appropriate long or short position.

Although Harvest invests primarily in equity securities, the Funds' may also invest in debt securities, options, convertible securities, bank debt (both term loan and revolving loan facilities), warrants and American Depositary Receipts ("ADRs"). In addition, Harvest may also invest in currencies and currency forward contracts and options (primarily to hedge currency risk in foreign investments), and, subject to full compliance with applicable regulations, commodity futures contracts and options. A portion of Harvest's assets may be invested in "below investment grade" securities, including high yield securities, corporate and government securities in emerging markets, leveraged bank debt, distressed debt and related securities. Generally, "below investment grade" refers to securities that are rated (or, if not formally rated, presumed to be rated) below BBB- (or its market equivalent). The Funds may sell securities short and may borrow money from brokerage firms or banks (subject to applicable regulations), in order to leverage its investment and trading returns. Generally, securities are purchased and sold on national securities exchanges and/or in the over-the-counter markets through various securities dealers. However, from time-to-time securities may be purchased or sold in private transactions. The Funds invest primarily in securities of U.S. issuers, although it may also invest in various securities of foreign issuers.

An investment in the Funds entails a significant degree of risk and therefore should be undertaken only by Investors capable of evaluating the risks of the Funds and bearing the risks it represents. Set forth below is a non-exhaustive list of such risks and prospective Investors are advised to review the applicable Fund offering materials for a more extensive description of the risks of investing in the Funds:

1. Possible adverse effect of substantial withdrawals in the Funds
2. Business and regulatory risks of hedge funds
3. Utilization of leverage and/or margin
4. Illiquidity of the Funds' investments
5. Changes in legal, fiscal, and regulatory regimes
6. Potential for insolvency of trading counterparties and custodians
7. Nature of investing in undervalued securities
8. Nature of equity or equity-related investments
9. Nature of short selling
10. Nature of investments in derivatives

11. Non-U.S. Investments
12. Dependence on Harvest's key personnel
13. Portfolio concentration
14. Lack of liquidity of interests in the Funds
15. Investment environment and market risk
16. Market volatility risks
17. Availability of resources to complete the investment due diligence process
18. Significant fees and expenses charged by the Funds
19. Nature of event-oriented trading, special situations investments, merger/capital/convertible arbitrage investments, and distressed investing
20. Cybersecurity risks

Investments in the Funds and the underlying securities in which they invest are highly speculative. The Funds may not be successful in meeting their performance objectives. Investors should not subscribe to the Funds unless they can bear the risk of a complete loss of their committed capital.

Harvest cannot provide assurance that it will be able to choose, make and/or realize investments in companies. There is no assurance that the Funds will be able to generate returns or that the returns will be commensurate with the risks inherent in their investment strategy. The marketability and value of any such investment will depend upon many factors beyond the control of the Funds. The expenses of the Funds may exceed their income, and an investor in a Fund could lose the entire amount of their contributed capital. Therefore, an Investor should only invest in a Fund if the Investor can withstand a total loss of their investment. The past investment performance of Harvest cannot be taken to guarantee future results of the Funds or any investment in the Funds.

## **Disciplinary Information**

Harvest and its employees have not been involved in legal or disciplinary events that would be material to an Investor's evaluation of Harvest or its personnel.

## **Other Financial Industry Activities and Affiliations**

As stated in the *Advisory Business* section above, Harvest Advisors, LLC, an affiliate of Harvest, serves as the general partner to the three Funds. From time-to-time, Harvest may structure and serve as the general partner to special-purpose vehicles ("SPV's") formed for the purpose of acquiring and holding Fund assets and addressing specific tax, legal, or regulatory concerns. The SPV's are pass-through entities that receive no management fees, performance fees or other economic benefit in connection with the acquisition of Fund assets.

The Funds are subject to a number of actual and potential conflicts of interest. Certain inherent conflicts of interest arise from the fact that the General Partner and Harvest conduct investment activities for the Funds in addition to proprietary accounts in which the Funds will have no interest. However, Harvest's investment activities for their own accounts and for those of their families (collectively, the "Other Accounts") are subject to internal compliance policies and approval procedures and may or may not include securities and instruments in which the Funds may invest. The respective investment programs of the Funds and Other Accounts may or may not be substantially similar.



The portfolio strategies of the Other Accounts could conflict with the transactions and strategies employed by Harvest in managing the Funds and affect the prices and availability of the securities and instruments in which the Funds invest. Conversely, participation in specific investment opportunities may be appropriate, at times, for both the Funds and Other Accounts. In such case, participation in such opportunities will be allocated on an equitable basis, taking into account such factors as the relative amounts of capital available for new investments, relative exposure to short-term market trends, and the respective investment programs and portfolio positions of the Funds and the Other Accounts for which participation is appropriate. Such considerations may result in allocations of certain investments among the Funds and Other Accounts on other than a *pro rata* basis. A further discussion of Harvest personnel's personal trading activities is set forth in the following section, *Code of Ethics, Participation or Interest in Client Transactions and Personal Trading*.

The General Partner and employees of Harvest will devote as much of their time to the activities of the Funds as they deem necessary or appropriate. By the terms of the Funds' Partnership Agreements, the General Partner and Harvest are not restricted from forming additional investment funds, from entering into other investment advisory relationships or from engaging in other business activities, even though such activities may be in competition with the Funds and/or may involve substantial time and resources of the General Partner and Harvest. These activities could be viewed as creating a conflict of interest in that the time and effort of the members of the General Partner and employees of Harvest will not be devoted exclusively to the business of the Funds, but will be allocated between the business of the Funds and other business activities of such persons and entities.

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

Harvest recognizes and believes that (i) high ethical standards are essential for its success and to maintain the confidence of its Investors; (ii) its long-term business interests are best served by adherence to the principle that the interests of Investors come first; and (iii) it has a fiduciary duty to its Investors to act for their benefit. All Harvest personnel must put the interests of the Funds and Investors before their own personal interests and must act honestly and fairly in all respects in dealings with investors. All Harvest personnel must also comply with all federal securities laws.

Harvest has adopted a Code of Ethics governing personal trading by its personnel. Among other requirements, all personnel must seek pre-approval from the Chief Compliance Officer ("CCO") for certain personal trades, must report their personal securities transactions and holdings to the CCO, and must act as "whistleblowers" when it is believed that a violation of the Code of Ethics has occurred. The Code of Ethics additionally requires the CCO to regularly review all personal trading documents and to address any issues noted during the review, including the appropriateness of imposing a penalty for violations of the Code of Ethics. Investors or prospective Investors may obtain a copy of the Code of Ethics by contacting us at 212-634-3600.

Eligible Harvest personnel hold, either directly or through the General Partner, financial interests in the Funds. Additionally, it is possible that Harvest personnel may personally invest in some of the same investments that are held by the Funds (as noted in the *Other Financial Industry Activities and Affiliations* section above), or that they may own investments that are subsequently

purchased for the Funds. In such cases, the CCO would have/will pre-approve such transactions to evaluate any issues resulting from the employee's proposed ownership.

## **Brokerage Practices**

### **Aggregation and Allocation of Orders**

Harvest has full discretionary authority to direct Client trades. As a result, Harvest is subject to a duty to seek to obtain best execution for Clients' securities transactions. In placing orders to purchase and sell securities for Clients, Harvest considers a number of factors in selecting appropriate broker-dealers, including execution capability, commission rates, financial responsibility, the value of research provided, and responsiveness to Harvest. Subject to best execution, Harvest may also consider referrals of potential Investors in the Funds as a factor in the selection of brokers. Accordingly, the commissions and other transaction fees charged to the Funds by brokers in the foregoing circumstances may be higher than those charged by other brokers who may not offer such products or services. Harvest need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. Accordingly, if Harvest determines in good faith that the commissions charged by a broker are reasonable in relation to the value of the brokerage and research products or services provided by such broker, the Funds may pay commissions to such broker in an amount greater than the amount another broker might charge. A substantial portion of Harvest's trades are executed through Instinet.

In order to ensure best execution, Harvest has established a Brokerage Committee. The Brokerage Committee is comprised of Traders and a Principal Owner. The Brokerage Committee meets on periodic basis and is responsible for developing, evaluating and changing when necessary Harvest's order execution practices. The Brokerage Committee will monitor broker-dealers to assess the quality of execution of brokerage transactions effected on behalf of Harvest and the Funds. The Committee will review commissions and other transaction costs and trade volumes by broker-dealer to evaluate reasonableness in light of services received and consistency with these guidelines. The Committee must also consider the brokerage costs paid to the soft dollar brokers in light of the benefit of the products and services purchased with soft dollars.

In managing Fund portfolios, Harvest will generally aggregate trades, subject to best execution. Aggregation, or "bunching," describes a procedure whereby an investment adviser combines the orders of two or more clients into a single order for the purpose of obtaining better prices and lower execution costs. Aggregation opportunities for Harvest generally arise when more than one Client is capable of purchasing or selling a particular security based on investment objectives, available cash and other factors. Harvest is not required to aggregate trades, but it must disclose its policies and procedures, including, if applicable, the consequences of not aggregating trades. Harvest may aggregate Fund orders when doing so will result in a better overall price for Fund trades and/or increase the overall efficiency of its trading processes.

In addition, when Harvest encounters investment opportunities that are appropriate for more than one Fund or when an aggregated order is only partially filled, Harvest will allocate the investment opportunity or a partially filled order on a fair and equitable basis. The proper method of allocating investment opportunities and aggregated orders can be complex and requires careful



evaluation and application. Allocations of IPOs are made to participating Funds pro-rata, based on the unrestricted Investors in each of the Funds.

Harvest's allocation procedures seek to allocate investment opportunities among Funds in the fairest possible way taking into account prevailing relevant factors. Harvest will follow procedures to ensure that allocations do not involve a practice of favoring or discriminating against any Fund(s) over time. Account performance is never a factor in trade allocations.

## **Soft Dollars**

Harvest may pay a broker-dealer commissions (or markups or markdowns with respect to certain types of riskless principal transactions) for effecting Fund transactions in excess of that which another broker-dealer might have charged for effecting the transaction in recognition of the value of the brokerage and research services provided by the broker-dealer. Harvest will effect such transactions, and receive such brokerage and research services, only to the extent that they fall within the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934 and subject to prevailing guidance provided by the SEC regarding Section 28(e). Harvest believes it is important to its investment decision-making processes to have access to independent research.

Generally, research services provided by broker-dealers may include information on the economy, industries, groups of securities, individual companies, statistical information, accounting and tax law interpretations, political developments, legal developments affecting portfolio securities, technical market action, pricing and appraisal services, credit analysis, risk measurement analysis, performance analysis, and analysis of corporate responsibility issues. Such research services are received primarily in the form of written reports, telephone contacts, and personal meetings with security analysts. In addition, such research services may be provided in the form of access to various computer-generated data and meetings arranged with corporate and industry spokespersons, economists, academicians, and government representatives. In some cases, research services are generated by third parties but are provided to Harvest by or through broker-dealers.

Also, consistent with Section 28(e), research products or services obtained with "soft dollars" generated by one or more Fund may be used by Harvest to service one or more other Funds. Where a product or service obtained with soft dollars provides both research and non-research assistance to Harvest (i.e., a "mixed use" item), Harvest will make a good faith allocation of the research portion which may be paid for with soft dollars, and the non-research portion that falls outside the safe harbor of 28(e) and therefore must be paid with actual hard dollars. In making good faith allocation, a conflict of interest may exist given the incentive for Harvest to attribute more of the usage to the research portion; notwithstanding the foregoing, Harvest attempts to mitigate the potential conflict by engaging in a consistent and objective analysis of the mixed-use product/service.

At least annually, Harvest considers the amount and nature of research and research services provided by broker-dealers, as well as the extent to which such services are relied upon, and attempts to allocate a portion of the brokerage business of its Funds on the basis of that consideration. Broker-dealers sometimes suggest a level of business they would like to receive in return for the various products and services they provide. Actual brokerage business received by any broker-dealer may be less than the suggested allocation, but can (and often does) exceed the suggested level, because total brokerage is allocated on the basis of all of the considerations described above. In no case will Harvest make binding commitments as to the level of brokerage commissions it will allocate to a broker-dealer, nor will it commit to pay cash if any informal targets are not met. A broker-dealer is not excluded from receiving business because it has not been identified as providing research products or services.

### **Capital Introduction**

Harvest has entered into agreements on behalf of its Funds with certain brokers-dealers that act as prime brokers on behalf of the Funds. Harvest's personnel may speak at conferences and programs for potential Investors interested in investing in private funds which are sponsored by those prime brokers. These conferences and programs may be a means by which Harvest can be introduced to potential Fund Investors. Currently, neither Harvest nor the Funds compensate prime brokers for organizing such "capital introduction" events or for any investments ultimately made by prospective Investors attending such events (although either may do so in the future). While such events and other services provided by a prime broker may influence Harvest in deciding whether to use such prime broker in connection with brokerage, financing and other activities of the Funds, Harvest will not commit to allocate a particular amount of brokerage to a broker-dealer in any such situation.

### **Investments in the Funds by Representatives of Broker/Dealers**

The Funds may accept investments from full-service financial firms who are investing on their own behalf or on behalf of third-parties. The financial service firms may have related entities that include broker-dealers and Harvest may utilize these broker-dealers when Harvest believes that a particular broker-dealer provides best execution for client transactions. Harvest does not take these investments into consideration when determining which broker-dealers to use to execute client transactions, and Harvest maintains various internal controls for this purpose.

### **Trade Errors**

In the event a trading error has been detected, Harvest promptly corrects such errors and will generally reimburse losses suffered by Clients as a result of trade errors caused by Harvest.

### **Review of Accounts**

Harvest performs various ongoing, regular, and periodic reviews of the Funds' portfolios. Such reviews are conducted by the members of Harvest's Investment Team, including individuals whose titles include Principal Owner, Portfolio Manager, Trader, and Research Associate.

Harvest monitors the accounts continuously and implements changes to portfolios when Harvest believes it is appropriate to do so. General conditions in the economy and capital markets are continuously monitored. Factors triggering reviews, and perhaps triggering buy or sell recommendations, include capital inflows and outflows in client accounts; “events” occurring in the economy and/or capital markets; and fundamental changes in the investment strategy and/or securities held in client accounts.

Investors in the Funds receive a quarterly letter from Harvest documenting the performance of their Fund, although Harvest may provide certain investors with information on a more frequent and detailed basis if agreed to by Harvest (refer to the *Types of Clients* section above regarding side letters). In addition, Harvest issues Investors tax reports and audited financial statements concerning their respective Funds within 120 days of the end of the Fund’s fiscal year. All Investors may speak to Harvest at any time regarding the status of their Fund investment.

## **Client Referrals and Other Compensation**

Harvest does not directly or indirectly compensate any third-party for client referrals.

Harvest effects securities transactions through a number of broker-dealers. By virtue of it conducting business with broker-dealers, Harvest may receive certain economic benefits from such broker-dealers which would not be received if it did not transact through the broker-dealers. These benefits may include, but are not limited to: access to an electronic communication network for order entry and account information; receipt of proprietary research; and participation in broker-dealer sponsored research and as noted above, capital introduction conferences. Harvest understands that the benefits received through its relationship with the broker-dealers (including its prime brokers) generally do not depend upon the amount of transactions directed to, or amount of assets custodied by, the broker-dealers.

## **Custody**

With the exception of investments in “privately offered securities” per Rule 206(4)-2 under the Advisers Act (i.e., the custody rule), all Fund assets are held in custody by unaffiliated broker/dealers or banks (also the Funds’ prime brokers and custodians) acting in the capacity as “qualified custodians”.

Notwithstanding the foregoing, the role of Harvest Advisors, L.L.C. as general partner to the Funds enables it and Harvest Employees to access Fund assets and Harvest has developed procedures that ensure the safeguarding and protection of the assets. Such procedures include among other things, the separation of functions and signatory approval by a Principal Owner for the distribution of Fund capital.

The Funds are subject to an annual audit and the audited financial statements are distributed to each Investor. The audited financial statements are prepared in accordance with generally accepted accounting principles, issued with an unqualified opinion, and distributed within 120 days of the Funds’ fiscal year ends.

## **Investment Discretion**

Harvest maintains the authority to manage the Funds on a discretionary basis in accordance with the terms set forth in the Funds' Limited Partnership Agreements.

## **Voting Client Securities**

SEC Rule 206(4)-6 under the Advisers Act requires registered investment advisers that exercise voting authority over client securities to implement proxy voting policies. In compliance with the rule, Harvest has adopted proxy voting policies and procedures (the "Policies"). The general policy is to vote proxy proposals, amendments, consents or resolutions relating to Client securities, including interests in private investment funds, if any (collectively, "proxies"), in a manner that serves the best interests of the respective Client, as determined by Harvest in its discretion, taking into account the following factors: (i) the impact on the value of the securities; (ii) the costs and benefits associated with the proposal; (iii) the effect on liquidity; and (iv) the customary industry and business practices. The Policies also address how Harvest will vote proxies with regard to specific matters, such as voting rights, mergers or acquisitions, the election of Board members and other issues. Harvest does not necessarily vote proxies if it believes them to be immaterial to an investment outcome.

Harvest will record all proxy votes, and Investors may contact us at 212-634-3600 to obtain a copy of Harvest's complete Proxy Voting Policy and Procedures as well as information about how Harvest voted proxies on behalf of the Funds. As a matter of general policy, Harvest does not disclose how it expects to vote on upcoming proxies.

Harvest uses the services of a third party to receive class action notices for any Funds' investments in companies subject to a class action. When class action documents are received by Harvest, it is generally Harvest's policy to participate in any recoveries related to the class action suit and file the Proof of Claim forms accordingly on behalf of the Funds. Harvest credits any class action settlements received for a Fund to current Investors in that particular Fund. In some cases, Harvest may receive class action settlements for Funds that continue as legal entities, but have no Investors other than the General Partner. Accordingly, Harvest and related accounts receive class action settlements as a result of its participation in the Funds, including Funds where the General Partner is the sole remaining partner and receives all of the class action settlements received by the Fund.

## **Financial Information**

Harvest has never filed for bankruptcy and is not aware of any financial condition that is expected to adversely affect its ability to manage the Funds.

## **Business Continuity and Risk Management**

Harvest has implemented systems enabling employees and management to work remotely. Management is continually assessing any risks to the portfolio.