

Harvest Capital Strategies LLC

600 Montgomery Street, Suite 1100
San Francisco, CA 94111
(415) 835-3900

Contact Email: Harvest_Capital_Strategies@harvestcaps.com

Website: www.harvestcaps.com

Prepared: March 31, 2023

This brochure provides information about the qualifications and business practices of Harvest Capital Strategies LLC. If you have any questions about the contents of this brochure, please contact us at the telephone number and/or email address above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or any state securities authority.

Harvest Capital Strategies LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Additional information about Harvest Capital Strategies LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

We have included in this brochure references to products such as private investment funds *solely* for the purpose of describing our advisory business. This brochure is not intended as an offer of any of these products, which are privately offered only to qualified investors.

ITEM 2: MATERIAL CHANGES

This Brochure contains the following material changes since the last annual update of the Brochure dated March 30, 2022:

- Item 4 has been updated to reflect the regulatory assets under management of our Funds as of December 31, 2022.
- Item 8 has been updated to describe certain updates relating to the status and structure of certain of the Funds and additional disclosures relating to our acquisition by Citizens Financial Group, Inc.

Please note that this summary of material changes discusses only those material changes that have occurred since the last annual update of the Brochure.

ITEM 3: TABLE OF CONTENTS

	<u>Page</u>
ITEM 1: Cover Page	1
ITEM 2: Material Changes	2
ITEM 3: Table of Contents	3
ITEM 4: Advisory Business.....	4
ITEM 5: Fees and Compensation.....	6
ITEM 6: Performance-Based Fees and Side-By-Side Management.....	10
ITEM 7: Types of Clients	11
ITEM 8: Methods of Analysis, Investment Strategies and Risk of Loss	11
ITEM 9: Disciplinary Information.....	17
ITEM 10: Other Financial Industry Activities and Affiliations.....	17
ITEM 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	20
ITEM 12: Brokerage Practices.....	22
ITEM 13: Review of Accounts	26
ITEM 14: Client Referrals and Other Compensation	27
ITEM 15: Custody	27
ITEM 16: Investment Discretion	28
ITEM 17: Voting Client Securities	28
ITEM 18: Financial Information.....	29

ITEM 4: ADVISORY BUSINESS

Harvest Capital Strategies LLC (“Harvest”) began operation in September 1999. We are wholly-owned by JMP Holding LLC, which is in turn wholly-owned by JMP Group Inc. The sole shareholder of JMP Group Inc. is JMP Group LLC (“JMP Group”). JMP Group was a publicly traded company on the New York Stock Exchange until the fall of 2021 when it was acquired by, and became a wholly-owned subsidiary of, Citizens Financial Group, Inc. (NYSE:CFG).

We provide discretionary investment advisory services to a number of private investment funds (the “Funds”). The Funds sponsored by HCS (or its affiliates) include private pooled investment vehicles that make: (i) opportunistic and value-added investments in real estate assets, and (ii) secondary purchases of private company securities (collectively, the “Private Equity Funds”).

At present, our Funds are organized as limited partnerships for which we (or an affiliate) serve as the sole general partner, or as limited liability companies for which we (or an affiliate) serve as the sole managing member.

For certain of the Funds, our affiliates serve as the general partners or managing members (the “Affiliated GPs”). Harvest serves as the investment manager to these Funds and provides discretionary investment management services to the Funds including investigating, structuring and negotiating potential investments, monitoring the performance of investments, and advising the Funds as to exit strategies with respect to its investments.

An affiliate of Harvest, JMP Asset Management LLC (“JMPAM”), provides investment advisory services to certain of the Private Equity Funds, including private real estate funds focused on making primarily sponsor and non-control real estate and real estate-related investments and a private debt fund focused primarily on making investments in subordinated debt and, to a lesser extent, senior debt and minority equity investments in U.S. small to mid-size companies. Please refer to Item 8 for additional information relating to the investment strategies and risks applicable to these Funds.

JMPAM and the Affiliated GPs are related persons of Harvest and are either controlled by, or under common control with, Harvest. Harvest, JMPAM, and the Affiliated GPs collectively conduct a single advisory business and Harvest is filing a single Form ADV in accordance with the umbrella registration provisions of Form ADV available to SEC-registered advisers to private funds that operate a single advisory business through multiple legal entities. JMPAM and the Affiliated GPs (and their employees and personnel, if any) will be subject to the Investment Advisers Act of 1940 (the “Advisers Act”) and the rules thereunder, and to all of Harvest’s compliance policies and procedures. The personnel of JMPAM and the Affiliated GPs will be deemed “persons associated with” Harvest (as that term is defined in section 202(a)(17) of the Advisers Act) and will be subject to SEC examination. Accordingly, references to Harvest in this Brochure should also be considered references to JMPAM and/or the Affiliated GPs in the appropriate context.

Harvest relies on the umbrella registration provisions of Form ADV available to SEC-registered advisers that operate a single advisory business through multiple legal entities and who advise only private funds and certain separately managed account clients that are qualified clients. In this regard, JMPAM is a relying adviser to Harvest and Harvest files a single Form ADV on behalf of itself (as “filing adviser”) and JMPAM (as a “relying adviser”) in accordance with the umbrella registration requirements of Form

ADV. Accordingly, Harvest includes on its Form ADV (Parts 1 and 2) all information concerning Harvest and JMPAM (e.g., disciplinary information and ownership information) and includes this same information in any other reports or filings Harvest makes under the Advisers Act (e.g., Form PF). As such, Harvest has aggregated its responses to the items in this Brochure so that such information refers to, and includes all information concerning, Harvest as the “filing adviser” and JMPAM and the Affiliated GPs as “relying advisers.” In addition, Harvest completes a Schedule R of Form ADV for each relying adviser included in the umbrella registration.

We manage each Fund pursuant to the objectives specified in the materials by which the Fund offers its ownership interests to investors. The Funds generally impose no limits on the types of securities or other instruments in which the Funds may invest, the types of positions they may take, the concentration of their investments by sector, industry, fund, country, class or otherwise, the amount of leverage they may employ or the number or nature of short positions they may take. The Funds’ investors do not have the right to specify, restrict, or influence their Funds’ investment objectives or any investment or trading decisions.

We also previously provided discretionary investment advisory services directly to institutional clients through separately managed accounts (the “Separately Managed Accounts”) and may decide to provide similar services in the future. We also previously provided investment management services to an affiliate, JMP Securities LLC (“JMP Securities”), in the form of a Separately Managed Account. While we no longer do so, Harvest may provide such services to an affiliate again. Managing accounts on behalf of affiliated entities creates conflicts of interest in that we may have an incentive to favor such an account to the detriment of other funds or accounts. Accounts in which our employees or affiliates have a beneficial interest, or with respect to which we have a conflict of interest, do not receive preferential treatment and investment decisions are made without consideration of our affiliates’ or employees’ pecuniary or investment interests but, instead, in accordance with our fiduciary duties to client accounts. The specific terms applicable to such affiliated accounts, including fees, redemption rights, and investment restrictions, are set forth in an investment management agreement and may differ from those applicable to the Funds or other Separately Managed Accounts. Please refer to Item 10 for additional information regarding the conflicts of interest presented by such arrangements.

Typically, our Separately Managed Accounts are managed according to strategies that are similar to those of our Funds, but they may be subject to express investment restrictions or other special terms that do not apply to our Funds. These special terms are subject to negotiation on a client-by-client basis.

We do not participate in wrap fee programs.

Please refer to Item 8 of this Brochure for additional information regarding our methods of analysis and investment strategies, and their associated risks. The information provided above merely summarizes the detailed information provided in the appropriate fund offering and organizational documents. Prospective investors should be aware of additional risks and requirements associated with any investment and should refer to the appropriate fund offering and organizational documents for important additional information and considerations.

As of December 31, 2022 the regulatory assets under management with respect to our Funds was approximately \$366,944,711. We do not provide services on a non-discretionary basis.

ITEM 5: FEES AND COMPENSATION

The Funds

Each Fund generally pays us a management fee at the beginning of each calendar quarter. Those fees are generally equal to a specified percentage (a “Quarterly Fee Rate”), multiplied by either the net asset value of investors’ holdings in the Fund or, for certain of our Private Equity Funds, the value of the investors’ capital commitments to that Fund during the commitment period and invested capital thereafter. Depending on the Fund, our Quarterly Fee Rates generally range from 0.25% per quarter (or 1.00% per year) to 0.50% per quarter (or 2.00% per year).

Private Equity Funds pay management fees equal to 2% of capital commitments during the commitment period and 2% of invested capital thereafter.

With respect to the private real estate funds advised by JMPAM, an affiliate and relying adviser of Harvest, management fees are 1.5% per annum of committed capital during the investment period and 1.5% per annum of invested capital, thereafter. JMPAM is entitled to a management fee of 0.5% of the gross assets (including leverage but excluding un-called equity capital) of the private debt fund advised by JMPAM.

In addition, Harvest (or an Affiliated GP, as applicable) is entitled to receive incentive- or performance-based compensation from the Funds (“Incentive-Based Compensation”) in the form of an incentive fee or an incentive allocation that is calculated based upon a percentage of net profits (including both realized and unrealized gains and losses) of each Fund.

The Affiliated GPs of certain of our Private Equity Funds are entitled to receive Incentive-Based Compensation in the form of a carried interest distribution generally equal to 20-30% of the investment proceeds distributable by the Fund in excess of the capital invested by the Fund’s limited partners and their allocable share of fees and expenses. For certain Funds, such carried interest will only be payable after investors receive a priority return or performance hurdle (typically 7-8%) on all capital used to make realized investments and pay Fund expenses. In addition, for certain Private Equity Funds, Incentive-Based Compensation, if any, will be paid only upon a return of capital with regard to the particular investment to participating investors. Certain other Private Equity Funds pay Incentive-Based Compensation quarterly based on net investment income and/or annually based on cumulative aggregate realized capital gains, subject to a clawback obligation and a “preferred return” which must be met before the allocation is applied to profits, as detailed in each Fund’s governing documents.

For each period and for each Fund, the foregoing fees are the aggregate of amounts calculated separately for each investor or group of investors in each Fund. They are not generally negotiable, but our agreements with the Funds give us the authority to vary them for particular investors. Once paid, Incentive-Based Compensation will not be reduced by losses incurred in later periods.

Other Expenses

Each Fund also pays all of the expenses of its administration and operation. These expenses generally include, among other things:

- brokerage commissions;
- interest on margin and other borrowings;
- borrowing charges on securities sold short;
- investment transaction costs;
- custodial fees;
- bookkeeping, accounting and audit fees and expenses;
- legal fees;
- expenses that we incur for investment research and due diligence;
- tax preparation fees;
- other professional fees;
- governmental fees and taxes;
- travel and travel-related expenses that we incur in connection with investment activities (including attending professional investment and industry specific conferences);
- costs of reporting to investors;
- cost of governance activities (such as obtaining investor consents); and
- all other reasonable expenses related to the management and operation of the Fund or the purchase, sale or transmittal of Fund assets, all as we determine in our sole discretion.

Each Fund also bore certain costs in connection with its organization and the initial offering and sale of ownership interests in it, and each Fund also continues to bear the costs of its ongoing offering of those ownership interests (if applicable).

We may advance costs described above for a Fund and the Fund must reimburse us.

We provide office personnel and space required for the performance of our services for the Funds. The Funds do not reimburse us for doing so (except to the extent of our Incentive-Based Compensation as described above).

For a more detailed discussion of Harvest's brokerage practices and transaction costs, please refer to "Item 12: Brokerage Practices."

Separately Managed Accounts

Harvest does not currently provide advisory services to Separately Managed Accounts. However, we have provided such services in the past and may do so again in the future. The following language applies to our historical and intended practices with respect to Separately Managed Accounts. For our Separately Managed Accounts, we generally receive a combination of asset-based and performance-based fees. These fees are negotiated on a case-by-case basis with the client; however, for Separately Managed Accounts that are managed according to strategies similar to particular Funds, the asset- and performance-based fees we charge our clients are generally similar to the fees and allocations that we charge or assess as to those Funds. Separately Managed Accounts are invoiced for such fees according to the fee provisions included in their respective investment management agreements.

Separately Managed Accounts also generally bear all fees and expenses incurred in relation to the maintenance and operation of the Separately Managed Account, or the valuation, purchase, sale or transmittal of assets in the account. These expenses include: investment transaction costs (including markups, markdowns and commissions); interest on margin and other borrowings; borrowing charges on securities sold short; administrator and custodial fees; accounting and audit fees and expenses; legal fees; tax preparation fees; governmental fees and taxes; bookkeeping and other professional fees; and costs of reporting.

Please refer to “Item 6: Performance-Based Fees and Side-By-Side Management” for additional information.

Prepayment of Fees

As noted above, the Funds generally pay management fees to us quarterly in advance.

If we were to terminate our (or our affiliate’s) status as general partner or managing member of a Fund at a time other than as of the end of a quarter, we would refund to the Fund a portion of the management fee that was paid at the beginning of the termination quarter, prorated based on the number of days remaining in that quarter.

As noted above, fee arrangements for Separately Managed Accounts are separately negotiated on a case by case basis. Generally, our investment management agreements provide for payment of asset-based fees on either a monthly or quarterly basis either in advance or in arrears, according to the specific terms outlined in each agreement. Those agreements calling for payment of fees in advance also provide that if the client (or we) terminate the agreement other than as of the end of a month or quarter (as applicable), we will refund to the client a portion of any asset-based fee that was paid at the beginning of the termination period, prorated based on the number of days remaining in that period. Similarly, where fees are charged in arrears, in the event of termination or withdrawal other than as of the end of the end of a particular period, any fees payable with respect to that period will be prorated based on the number of days elapsed in the period as of the date of withdrawal or termination.

Other Compensation and Conflicts of Interest

Harvest is not a registered broker-dealer; however, some of Harvest’s supervised persons are registered with the Financial Industry Regulatory Authority (“FINRA”) as representatives of JMP Securities, an affiliated broker-dealer, if necessary or appropriate to perform their responsibilities. Under certain circumstances, such persons may receive compensation from JMP Securities in connection with activities performed on behalf of the affiliated broker-dealer.

Our affiliates, including our parent company, Citizens Financial Group, Inc., and its affiliates, may provide investment banking, financial consulting and commercial banking services to companies in which our Funds are invested, and those affiliates receive fees from those companies for those services. Our affiliates also receive underwriting discounts, fees or commissions relating to investments by our Funds in public or private offerings in which our affiliates act as underwriters, dealers or placement agents or in similar capacities. These arrangements could be seen as providing an incentive for us to cause our Funds to make investments they would not otherwise make, for the purpose of helping our affiliates obtain those revenues. Furthermore, Citizens Financial Group and other financial institutions that are

affiliated with us may provide services (such as trustee, custodial or administrative services) to issuers of securities. Because of their affiliation with us, our ability to purchase securities of such issuers and to take advantage of certain market opportunities may be subject to certain restrictions and in some cases, prohibited.

The activities of JMP Securities and our other affiliates, including (among other things) their consulting, financial advisory, investment banking and brokerage and research activities, may present other conflicts of interest and may otherwise affect the activities of our Funds. For example, JMP Securities or an affiliate may provide financial, investment banking or other services to third parties who have interests that conflict with those of our Funds, or those of companies in which they are invested (“Client Portfolio Companies”). In particular, JMP Securities and our other affiliates may also represent companies in which our Funds desire to invest. And they may represent companies competing with Client Portfolio Companies for acquisition or business opportunities. Please refer to “Item 10: Other Financial Industry Activities and Affiliations” of this Brochure for additional information about our affiliates.

Among other things, it is possible that our Funds could be precluded from attempting to acquire securities of a company for whom JMP Securities or an affiliate is acting as an adviser because of that company’s requirement that JMP Securities and its affiliates (including us) act exclusively on the company’s behalf or refrain from trading in its securities. If a client company of JMP Securities (or an affiliate) did not impose such a requirement, and a Fund or Separately Managed Account did trade in that company’s securities, this may give rise to potential conflicts of interest. Similarly, when JMP Securities or an affiliate acts as an adviser to a company as “buyer” in an acquisition context, our Funds may be precluded from buying securities of the target company. Where such a buyer is a Client Portfolio Company, our Funds may also be precluded from selling any of their investments during the term of the engagement. Our relationship to JMP Securities could also prevent our Funds from participating in a secondary offering as selling shareholders if JMP Securities or an affiliate were involved in the offering as an underwriter. Please refer to “Item 10: Other Financial Industry Activities and Affiliations” for additional information regarding our clients’ purchase of securities in an offering in which an affiliate is acting as an underwriter or as a member of the underwriting syndicate.

JMP Securities or its affiliates may also make a market in, or provide research on, Client Portfolio Companies. JMP Group’s trading and research activities generally will be carried out without regard for our Funds’ positions. However, such activities may have an effect on the value of those positions, and at times, JMP Securities’ trading and brokerage activities could give JMP Securities an interest adverse to those of our Funds. In addition, JMP Securities’ research on a security issued by a client portfolio company may adversely affect the value of that security.

Please refer to “Item 10: Other Financial Industry Activities and Affiliations” for additional information about our affiliates’ business activities and the potential conflicts of interest associated with such activities. We generally disclose the potential conflicts of interest described above to investors in our Funds and to our Separately Managed Account clients through the offering documents provided prior to investment. We also maintain policies and practices that we believe limit material adverse consequences to investors in our Funds which may arise from these conflicts of interest. Please note additional conflicts are addressed throughout this Form ADV Part 2A as well.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Each Fund pays us Incentive-Based Compensation which is based on a percentage of net profits, as described above under “Item 5: Fees and Compensation.” We also generally charge performance-based fees to our Separately Managed Account clients, though those fees are generally subject to negotiation and therefore vary from client to client.

As discussed in Item 5 of this Brochure, Harvest (or its affiliates) earn, with respect to certain clients and in addition to management fees, performance-based fees or allocations. Where applicable, performance fees or other performance-based compensation is generally payable: (i) on a quarterly or annual basis; (ii) in the case of certain Funds (and similarly managed separate accounts), at the time of withdrawal or redemption with respect to the amount withdrawn and/or redeemed; or (iii) with respect to certain Funds which do not provide investors with redemption rights in the ordinary course (such as the Private Equity Funds), as investments are realized and/or capital is distributed. Certain Funds charge performance fees or allocations based on the relevant Funds’ net profits without regard to any index or performance hurdle. In some cases, these arrangements are subject to a cumulative high water mark or other provisions intended to assure that prior losses are recouped before giving effect to any performance fees or allocations. In other cases, certain Funds have periodic or cumulative performance hurdles prior to Harvest (or an Affiliated GP) receiving a performance fee or allocation. Clawback provisions also apply to performance fees paid with respect to certain Funds. The timing and amount of performance fees or allocations are described in the relevant offering and/or other governing documents of the applicable Fund.

While we have the right to waive Incentive-Based Compensation as to particular investors in a Fund, we manage each Fund’s assets as an undivided pool. We also generally manage Separately Managed Accounts in parallel with our Funds (subject to any investment limitations or other special requirements negotiated with such clients). As a result, we do not believe that we favor any particular Fund or Separately Managed Account over another because of our performance-based fee arrangements.

Our potential to receive Incentive-Based Compensation, and the fact that we will not have to refund any such fees or allocations if the Funds later experience losses, creates an incentive for us to make investments that are riskier or more speculative than would otherwise be the case.

In addition, Harvest and its affiliates manage different types of accounts having different fee arrangements. Side-by-side management of investment companies registered under the Investment Company Act sub-advised by Harvest (“U.S. Registered Funds”), institutional accounts, and private funds raises potential conflicts of interest. U.S. Registered Funds, for example, generally pay management fees based on a fixed percentage of assets under management, whereas institutional accounts and private funds have more varied fee structures, including a combination of asset- and performance-based compensation. Harvest does not currently manage any accounts for U.S. Registered Funds, although it has in the past and may manage such accounts in the future. In certain cases, Harvest or its related persons also have a financial interest in the Funds. To mitigate such potential conflicts of interest, Harvest’s policies and procedures stress that investment decisions are to be made in accordance with the fiduciary duties owed to each such account and without consideration of Harvest’s or an affiliate’s (or either of their personnel’s) pecuniary, investment or other financial interests.

One or more of Harvest’s Funds or accounts may at any time hold, acquire, increase, decrease, dispose, or otherwise deal with positions in investments in which another Fund or account may have an interest from

time-to-time. In certain circumstances, actions taken in one account may differ from, or be in conflict with, the interests of one or more other accounts. For instance, due to differences in investment strategies, one Fund or account may sell short a security at the same time that another Fund or account may hold or purchase the same security or with respect to which another Fund or account otherwise has interests that conflict with those of the Fund or account engaging in the short sales.

To the extent that Harvest manages accounts that engage in short sales of securities in which other Funds or accounts may invest (or otherwise have an interest contrary to such a short position), Harvest could be seen as harming the performance of one account for the benefit of the account engaging in short sales if the short sales cause the market value of the securities to fall. Harvest addresses this conflict by disclosing it to investors in the Funds and to Separately Managed Account clients through the offering materials and other documentation provided prior to investment. In addition, Harvest conducts ongoing account reviews and has policies and controls to identify and manage conflicts of interest.

ITEM 7: TYPES OF CLIENTS

Harvest provides investment advisory services to pooled investment vehicles operating as private investment funds. We have previously provided such services to institutional clients through Separately Managed Accounts, and may elect to do so again in the future.

Generally, investors in the Funds, and the Separately Managed Account clients are required to be “accredited investors” within the meaning set forth in Rule 501(a) of Regulation D under the Securities Act and “qualified clients” as defined in Rule 205-3 under the Advisers Act. In addition, investors in certain of the Funds are required to be “qualified purchasers” as defined in section 2(a)(51)(A) of the Investment Company Act. Each Fund imposes certain minimum investment requirements and investor eligibility criteria, which are detailed in each Fund’s offering materials and other governing documents, which are furnished to each investor. Account minimums for the Separately Managed Account clients are individually negotiated.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis and Investment Strategies

Harvest utilizes different methods of analysis that are tailored for each of the investment strategies it offers. Set forth below are the primary methods of analysis that Harvest (or an affiliate) utilizes for its various investment strategies.

Private Equity Direct Secondary Strategy

Certain of our Private Equity Funds focus on acquiring investments in the private equity direct secondary market, through transactions involving the purchase of securities of privately held companies from an existing shareholder as opposed to the original issuer of the security. The investment strategy for these Funds seeks to acquire direct secondary investments at fundamentally attractive prices that could allow the Fund to realize its objectives for internal rate of return and multiple of invested capital. The typical due diligence process for direct secondary investments entails gathering financial and operating information on prospective companies and their industries and reviewing legal documentation to determine the prevailing terms and conditions. In addition to evaluating both qualitative and quantitative

factors of a prospective direct secondary investment, Harvest conducts telephone calls and meetings with customers, suppliers, competitors, industry experts, management and other investors in the company.

Private Equity Real Estate Strategy

As noted in Item 4 above, JMPAM, an affiliate and relying adviser of Harvest, provides investment advice to private real estate funds focused on making primarily sponsor and non-control real estate and real estate-related investments, independently and with third party real estate operators, in a variety of real estate sectors throughout the United States in order to implement its value-add strategy. Such investments will be predominantly in the form of equity and equity-related investments in entities that hold, manage or develop real property but may also opportunistically be debt and equity-linked debt investments in such entities as well as other real estate-related economic interests.

Investing in securities involves a risk of loss that clients should be prepared to bear.

Risk of Loss

The following is a summary of some of the material risks associated with our investment strategies. As a summary, it is inherently incomplete and does not attempt to describe all of the risks associated with those strategies.

Reliance on Key Personnel. Our investment advice depends on the judgment and analysis of our investment professionals. Should any of those professionals terminate their relationship with us, die or become otherwise incapacitated for any period of time, our Funds could experience losses.

Effect of General Economic Conditions. The success of our investment strategies may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, developments in governmental regulation and national and international political circumstances. These factors may affect the success of the businesses in which our Client Portfolio Companies are engaged, as well as the markets for securities in those Client Portfolio Companies. Unexpected volatility or illiquidity could result in client losses.

Use of Leverage. Leverage increases both the possibilities for profit and the risk of loss. For Funds or Separately Managed Account seeking to use borrowings to generate leverage, those borrowings will usually be from securities brokers and dealers and are typically secured by the securities and other assets of the Fund or Separately Managed Account. Under certain circumstances, a broker or dealer acting as a lender to a Fund or Separately Managed Account may demand an increase in the collateral that secures the Fund's or Separately Managed Account's obligations, and, if the Fund or Separately Managed Account is unable to provide additional collateral, the broker or dealer could liquidate the Fund's or Separately Managed Account's collateral to satisfy those obligations. Liquidation in that manner could have extremely adverse consequences for the Fund or Separately Managed Account, including sales at disadvantageous times and prices and the acceleration of tax consequences.

Investments in Illiquid Securities. Certain of our Funds invest a portion of their assets in securities for which there is no ready market. They also invest in securities that, while they are publicly traded, are relatively illiquid. That may be because a security is thinly traded, because the Fund's or Separately Managed Account's position in a security is large in relation to the overall market for the security, because we, the Fund or the Separately Managed Account may be deemed an affiliate of the issuer, or

because of various other factors affecting the Fund or the Separately Managed Account's ability to trade in the security. Certain Funds will also own securities that are relatively liquid when acquired but that become illiquid after the Fund or Separately Managed Account invests. Our Funds may not be able to liquidate illiquid securities positions if the need were to arise; rapid sales of such securities could depress the market value of those securities, reducing profits, or increasing its losses, in the positions.

Risk of Derivatives, Generally. Certain of our Funds trade and invest in a variety of derivative instruments. Derivatives are financial instruments or arrangements in which the risk and return are related to changes in the value of other assets such as stocks, reference rates or indices. They can provide a form of "leverage" in that they permit the Funds to speculate on fluctuations in the prices of securities indices or other assets while investing only a small percentage of the value of the underlying securities, or other assets. Trading and investing in derivatives can be highly speculative and can entail greater risks than the risks of investing in other securities. Prices of equity derivatives are generally more volatile than prices of the securities on which they are based. A change in the market price of the underlying securities, indices or other assets or rates will cause a much greater change in the price of the derivative. The ability to profit or avoid risk through trading or investing in derivatives will depend largely on our ability to anticipate changes in the prices of underlying assets, reference rates or indices.

Options. Among the derivatives in which certain of our Funds invest or trade are options on specific securities and options on securities indices. Our Funds have, and may in the future, buy or sell (write) both call options and put options, and when they write options they may do so on a "covered" or an "uncovered" basis. Our Funds' and options transactions may be part of a hedging tactic (i.e., offsetting the risk involved in another securities position), a form of leverage in which the Fund has the right to benefit from price movements in a large number of securities or other assets with a small commitment of capital, or an attempt to obtain profits through premiums received on options the Fund writes. These activities involve substantial risks.

Concentration of Investments. Certain of our Funds will at times have a relatively large portion of their capital exposed to a particular industry or market sector. Losses in one or more large positions, or a downturn in an industry or market sector in which the Fund is concentrated, could materially adversely affect the Fund's performance in a particular period and could have a materially adverse effect on the Fund's or overall financial condition.

Non-U.S. Investments. Certain of our Funds will invest in securities of non-U.S. companies and/or securities denominated in currencies other than U.S. dollars. These include securities issued by companies in, and traded in, so-called "emerging markets." Non-U.S. investing, and investing in emerging markets in particular, could subject our Funds to certain risks not typically associated with investing in securities in the United States. Many non-U.S. stock markets are not as developed or efficient as those in the United States and may be more volatile than U.S. markets. The costs and expenses of investing in non-U.S. markets are generally higher than in the United States. There is generally less publicly available information about non-U.S. companies than about domestic companies. This makes it more difficult for us to keep informed of corporate action that may affect the price of a particular security. Additionally, some non-U.S. economies are less stable than the U.S. economy, due to, among other things, volatile political environments, less stable monetary systems and/or external political risks.

Portfolio Turnover. Under certain circumstances, we have, and may in the future, cause our Funds to engage in significant short-term trading. High portfolio turnover involves, among other things, high

transaction costs, particularly through increased brokerage costs and taxes. A Fund's portfolio turnover from time to time may exceed that of other investment vehicles or managed accounts.

Risks of Venture Capital Investments Generally. While venture capital investments offer the opportunity for significant gains, such investments also involve a high degree of business and financial risk and can result in substantial losses. Among these risks are the general risks associated with investing in companies at an early stage of development or with little or no operating history, companies operating at a loss or with substantial variations in operating results from period to period, and companies with the need for substantial additional capital to support expansion or to achieve or maintain a competitive position. Such companies may face intense competition, including competition from companies with greater financial resources, more extensive development, manufacturing, marketing, and service capabilities, and a larger number of qualified managerial and technical personnel. In addition, unlike other types of securities investments, many investments will be privately negotiated and, accordingly, may involve higher transaction costs (including legal fees and expenses) than comparably sized investments in publicly traded securities purchased over-the counter or through the facilities of a securities exchange.

Competition. The secondary market for private equity and venture-backed companies is highly competitive. Some of the Funds' potential competitors may have more relevant experience, greater financial resources and more personnel than Harvest. Harvest may not be able to make investments on attractive terms or to invest all of a Fund's capital.

Minority Investments. A Fund's investments may also take the form of minority investments in privately held companies in which it may have limited or no influence. As is the case with minority holdings in general, such minority stakes that a Fund may hold will have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes.

Limited History of Product Development. A Fund may invest in companies that have no products approved for sale. The potential products of such a company could require significant additional development and testing, as well as regulatory approval. There can be no assurance that such a company will be able to manage successfully the development process for a new product, especially, as may be the case, if the management of such a company does not have significant experience in developing a product. In addition, there can be no assurance that any such potential products will prove to be safe or function as planned, meet applicable regulatory standards, be capable of being produced in commercial quantities at acceptable costs or be successfully marketed.

General Real Estate Risks. Real property investments are subject to varying degrees of risk. Such investments will be subject to the risks generally associated with real estate investments, such as, among others, changes in the general economic climate, national or local conditions (such as an oversupply of, or a reduction in demand for, residential units), adverse changes in the financial condition of buyers or sellers of properties, competition based on rental rates, attractiveness and location of the properties, the financial condition of tenants, availability of buyers and sellers of properties, quality of maintenance, insurance services, and changes in real estate taxes and other operating costs. Real estate values are also affected by such factors as government regulations (including those governing usage, rent control, improvements, zoning and taxes), interest rate levels, the availability of financing and potential liability under changing environmental and other laws. Such risks may adversely affect operating results or make the sale or refinancing of real estate investments difficult or unattractive.

Risks of Investing in Smaller Companies. For certain of the Private Equity Funds, there generally will not be any publicly available information about many of the companies in which the Fund(s) will invest, and thus the Fund(s) will have to rely on a due diligence investigation to obtain the information necessary to make investment decisions. In addition, these small businesses often have smaller product lines and market shares than their competitors, may be more vulnerable to economic downturns and often need substantial additional capital to expand and compete in their marketplaces, which they may not be able to obtain. Any decision by not to make a follow-on investment or its inability to make such an investment may have a substantial negative impact on a portfolio company in need of such an investment or may result in a lost opportunity for the Fund(s) to increase its participation in a successful operation. These companies also may experience substantial variations in operating results.

Current U.S. Bank Regulatory Risks

The following is a summary of some of the material risks associated with the fact that we are a subsidiary of Citizens, an entity regulated under various U.S. banking regulations. As a summary, it is inherently incomplete and does not attempt to describe all of the risks associated with our relationship with Citizens.

Volcker Rule. Section 619 of the Dodd-Frank Act (known together with final regulations promulgated thereunder as the “Volcker Rule”) restricts banking entities, absent an applicable exclusion or exemption, from acquiring or retaining any equity, partnership or other ownership interests in, or sponsoring, certain types of investment funds that rely solely on Section 3(c)(1) or 3(c)(7) of the Investment Company Act (a “Covered Fund”). U.S. financial regulators issued final rules to implement the statutory mandate of the Volcker Rule on December 10, 2013, which regulations have been subsequently amended in recent years. The Funds are expected to be Covered Funds under the Volcker Rule.

The Volcker Rule or other rules issued under the Dodd-Frank Act could require or cause Citizens and its affiliates including Harvest and the Affiliated GPs, and/or investment vehicles that it organizes, offers or manages to liquidate or forgo certain investments, or take other actions, which actions could disadvantage the Funds, or adversely affect the value of investments in which the Funds directly or indirectly participate. Certain of these actions may have a material or adverse effect on the Funds.

Furthermore, prohibitions on certain activities in which Citizens may engage could require or cause Citizens and/or any Covered Funds that it organizes, offers or manages (including the Funds) to forgo certain investments or investment strategies, or take other actions in order to avoid any material conflicts of interest between Citizens and its clients, customers or counterparties as restricted by the Volcker Rule, which actions could disadvantage the Funds, or adversely affect the value of the investments held by the Funds.

Under the asset management exemption to the Volcker Rule, Citizens may sponsor and advise a Covered Fund, provided all requirements and limitations of the asset management exemption are met. The Funds are expected to be Covered Funds and thus, Citizens is prohibited from owning more than 3% of the outstanding ownership interests of the Fund. In addition, only directors and employees of Citizens who are directly engaged in providing investment advisory or other services to a Fund may acquire any ownership interests of such Fund.

Further, Citizens may not guarantee, assume or insure the obligations or performance of any Fund or provide liquidity to any Fund to make up any shortfall, including due to an investor's failure to make a capital contribution when due and / or an investor being excused from participating in an underlying investment. In addition, Citizens is generally prohibited from making a loan or extension of credit to a Fund, purchasing assets from a Fund or entering into certain other transactions that cause Citizens to have credit exposure to a Fund. Certain other transactions between Citizens and the Funds must be on terms and under circumstances, including credit standards, that are substantially the same, or at least as favorable to Citizens, as those prevailing at the time for comparable transactions with or involving other nonaffiliated companies.

Affiliation with an Entity Regulated Under the U.S. Bank Holding Company Act. Citizens is regulated as a bank holding company under the U.S. Bank Holding Company Act (the "BHCA") and related regulations, which together generally restrict bank holding companies from engaging in business activities other than the business of banking and certain closely related activities unless an exemption applies. Citizens has elected to become a financial holding company under the BHCA and, as such, may engage in a broader range of financial and related activities, as long as Citizens continues to meet certain eligibility requirements. Because Citizens is deemed to "control" the Funds within the meaning of the BHCA, certain restrictions applicable to Citizens under the BHCA are expected to apply to the Funds as well, which may, among other things, restrict the Funds' ability to make certain investments. In addition, if Citizens no longer meets the eligibility requirements to be a financial holding company, the Funds would be limited in their ability to make new investments and could potentially have to terminate such activities and/or divest such investments.

The Funds may be subject to certain legal and regulatory restrictions because of their affiliation with Citizens, including when considering investments in regulated industries, such as banking, insurance, energy or communications, because of the impact of these investments on Citizens. For example, there may be limits on the aggregate amount of investment by affiliated investors that may not be exceeded in certain regulated industries without the grant of a license or other regulatory or corporate consent or, if exceeded, may cause the Funds, Citizens and/or its clients to suffer disadvantages or business restrictions.

While Harvest currently expects that the Funds will be able to conduct their activities in a manner that is consistent with the BHCA, including any applicable exemptions, there can be no assurance that the bank regulatory requirements applicable to Citizens and the Funds will not have a material adverse effect on the Funds and such requirements may cause Harvest to dissolve the Funds earlier than contemplated. For instance, the Funds may be subject to certain BHCA regulations that restrict their ability to invest in certain investments or be involved in the management of certain investments or the length of time the Funds may hold an investment. With respect to merchant banking investments, the BHCA and regulations applicable to Citizens and the Funds generally impose a ten-year maximum holding period on any such investment, which may in certain circumstances be measured from a date that is earlier than the date on which the Funds initially acquired the investment. As a result, the Funds could be required to accelerate the disposition of certain investments in order to comply with applicable holding periods. In addition, certain BHCA regulations may require aggregation of the positions owned, held or controlled by related entities. Thus, in certain circumstances, positions held by Citizens and its affiliates (including Harvest) for client and investment accounts may need to be aggregated with positions held by the Funds. In this case, where BHCA regulations impose a cap on the amount of a position that may be held, Citizens may utilize available investment capacity to make investments for its accounts or for the accounts of other clients. In addition, Citizens may become subject to additional restrictions on its business activities that

could have an impact on the Funds' activities. Any of these requirements or restrictions may require that the Funds be dissolved or dispose of investments (or that any investment of any parallel investment vehicle or any investment of Citizens or any affiliate alongside the Funds be disposed of) earlier than previously contemplated. Furthermore, such bank regulatory requirements may change over time and may require the Funds to restructure their investments, which may have a material adverse effect on the Funds.

Citizens, in its discretion and without notice to the investors in the Funds, may restructure the Funds, the Affiliated GPs and/or Harvest in order to comply with the BHCA or other legal requirements applicable to, or reduce or eliminate the impact or applicability of any bank regulatory or other restrictions on, Citizens, any of its affiliates, the Funds, other investment vehicles or other funds, vehicles or accounts managed by Harvest or its affiliates.

Regulatory Oversight. Citizens, the Funds, any parallel investment vehicles and/or individuals within Citizens are in the ordinary course subject to periodic audits, examinations, claims, litigation, governmental and/or regulatory inquiries, investigations, requests for information, subpoenas, employment-related matters, disputes, and other regulatory or civil proceedings, which have the potential to result in findings, conclusions, settlements, charges or various forms of sanctions against Citizens, or Harvest, including fines, suspensions of personnel, changes in policies, procedures or disclosure or other sanctions. Many of these regulators are also empowered to conduct investigations and administrative proceedings that can result in fines, suspensions of personnel, changes in policies, procedures or disclosure or other sanctions. Such actions, investigations, litigation and claims may increase the exposure of the Funds, any parallel investment vehicles, Harvest and Citizens to potential liabilities and to legal, compliance and other related costs. In addition, such actions or proceedings may involve claims of strict liability or similar risks against the Funds in certain jurisdictions or in connection with certain types of activities. Increased regulatory oversight may also impose additional compliance and administrative obligations on Harvest and Citizens, including, without limitation, responding to investigations and implementing new policies and procedures.

ITEM 9: DISCIPLINARY INFORMATION

On October 14, 2015, Harvest agreed with the staff of the SEC to resolve a matter regarding Regulation M, Rule 105. This rule prohibits a firm from participating in a securities offering under certain circumstances after making short sales. The SEC staff originally inquired about one transaction, and after reviewing Harvest's response determined the flagged transaction was not a violation of the rule. At the SEC's request, Harvest voluntarily provided additional information to the SEC staff. The SEC staff determined that one other transaction was a technical violation of the rule. Harvest has agreed to resolve this matter by paying the minimum penalty under the rule (a single penalty of \$65,000), and disgorging its proceeds on the transaction with interest (together under \$20,000). The SEC staff noted the quality of our cooperation on the matter, and Harvest has updated its internal review procedures to clarify the separate account exemption to the rule which had led to the mistaken approval of this one transaction.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Neither Harvest nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of such entities. Harvest currently operates under an exemption from registration with the Commodity Futures Trading Commission ("CFTC") as a commodity pool operator pursuant to CFTC

Rule 4.13(a)(3), which is available to managers of privately offered funds whose investments in commodity interests are very limited and which are not marketed as a vehicle for trading commodity interests.

As noted in Item 4, above, JMPAM and the Affiliated GPs are related persons of Harvest and are either controlled by, or under common control with, Harvest. JMPAM and the Affiliated GPs (and their employees and personnel, if any) are subject to the Advisers Act and the rules thereunder, and to all of Harvest's compliance policies and procedures.

Harvest has certain relationships or arrangements with related persons that are material to its advisory business or its clients. Below is a description of such relationships and some of the conflicts of interest that arise from them. Harvest has adopted policies and procedures reasonably designed to appropriately prevent, limit, or mitigate conflicts of interest that may arise between Harvest and its affiliates. These policies and procedures include information barriers designed to prevent the flow of information between Harvest and certain other affiliates.

Citizens Financial Group, Inc. is an indirect owner of Harvest and Harvest's parent JMP Group. Citizens Financial Group, including its subsidiaries, provides and/or engages in commercial banking, insurance, brokerage, investment banking, financial advising and broker-dealer activities (including sales and trading). Citizens Financial Group continues to be able to exercise significant influence over Harvest's operations. Citizens Financial Group engages in businesses and has interests other than managing asset management accounts, and this can result in real, potential, or apparent conflicts of interest that may prove disadvantageous to Harvest's Advisory Clients. Specifically, Citizens Financial Group entities may act in their own interest, in the interest of third parties other than Harvest's Advisory Clients, for example when Citizens Financial Group entities other than Harvest engage in advisory, transactional, and financial activities, or acquire or divest interests in assets that Citizens Financial may directly or indirectly purchase or sell for its Advisory Clients.

Citizens Financial Group is a public company that is a bank holding company registered with the Board of Governors of the Federal Reserve System (the "Federal Reserve"). Citizens Financial Group is subject to supervision and regulation by the Federal Reserve and is subject to certain restrictions imposed by the BHCA and related regulations. For a more complete discussion of the BHCA's restrictions that may apply to Harvest's activities please refer to "Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss."

JMP Securities, a registered broker-dealer, is also an indirect, wholly owned subsidiary of Citizens Financial Group. Certain of our employees whose duties involve marketing the Funds are licensed as registered representatives of JMP Securities and are compensated for sales of securities. Our relationship with Citizens Financial Group and JMP Securities create certain conflicts of interest, including those described above under "Item 5: Fees and Compensation – Other Compensation and Conflicts of Interest."

As noted in Item 4, above, Harvest previously managed a Separately Managed Account on behalf of its affiliate, JMP Securities, which creates conflicts of interest in that we may have an incentive to favor such an account to the detriment of other funds or accounts. While we do not currently manage such an account for an affiliate, we may do again in the future. As with other Separately Managed Accounts, this account was managed *pari passu* with certain of our hedge fund strategies described above. Our policies and procedures stress that investment decisions are to be made without consideration of our affiliates' or

employees' pecuniary or investment interests but, instead, in accordance with our fiduciary duties to client accounts. Accounts in which our employees or affiliates have a beneficial interest, or with respect to which we have a conflict of interest, do not receive preferential treatment. In the event transactions for affiliated accounts are aggregated with client transactions, these trades are treated the same as a client with no preferential treatment given. The specific terms applicable to such affiliated accounts, including fees, redemption rights, and investment restrictions, are set forth in an investment management agreement and may differ from those applicable to the Funds or other Separately Managed Accounts.

JMP Securities, our broker-dealer affiliate, occasionally acts as underwriter or as a member of the underwriting syndicate for certain new issue securities, which may create an incentive for us to purchase these new issue securities, in an effort to provide additional fees to the broker-dealer affiliate. Harvest has established a policy regarding purchases of securities in an offering in which an affiliate acts as an underwriter or as a member of the underwriting syndicate. In compliance with applicable banking, securities and ERISA regulations, we may purchase on behalf of our clients securities in an offering in which an affiliate is acting as an underwriter or as a member of the underwriting syndicate during the syndication period, so long as requirements of the policy, including written approval and compliance with certain investment criteria are met. The policy prohibits direct purchases from an affiliate for any client account under any circumstances. Please refer to Item 12 for additional information.

Harvest occasionally uses JMP Securities, an affiliate, to facilitate the distribution of certain pooled investment funds. Harvest benefits from the distribution services of this affiliated placement agent as such services increase the assets upon which Harvest's fees are based. Harvest and the affiliated broker-dealer have procedures in place to identify any conflicts of interest and have established controls to mitigate these risks. Additionally, Harvest relies on the fact that broker-dealer is a member of and regulated by FINRA and has procedures to comply with sales practices regulated by FINRA that may arise from such activities.

Citizens Bank, N.A. ("CBNA") is a federally chartered bank, headquartered in Providence, Rhode Island. CBNA is subject to supervision and regulation by the U.S. Department of Treasury's Office of the Comptroller of the Currency. CBNA provides retail and commercial banking products and services to individuals, small businesses, middle-market companies, large corporations and institutions. CBNA is under common control with Harvest.

Citizens Capital Markets, Inc. ("CCMI"), is an SEC-registered broker-dealer and a FINRA Member firm. CCMI's business activities include investment banking advisory services, merger and acquisition, underwriting corporate securities and private placements. CCMI is under common control with Harvest.

Citizens Securities, Inc. ("CSI"), an SEC registered investment adviser, an SEC registered broker-dealer and a FINRA Member firm, is a subsidiary of Citizens Bank, N.A. and is under common control with Harvest.

We generally disclose the potential conflicts of interest described above to investors in our Funds and to our Separately Managed Account clients through the offering materials and other documentation provided prior to investment. We also maintain policies and practices that we believe limit material adverse consequences to investors in our Funds and to our Separately Managed Account clients which may arise from these conflicts of interest.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

Harvest's Code of Ethics (the "Code of Ethics") is designed to meet the requirements of Rule 204A-1 of the Advisers Act. The Code of Ethics applies to Harvest's access persons (which term includes all employees and certain other persons) (the "Access Persons") and sets forth a standard of business conduct that takes into account Harvest's status as a fiduciary and requires Access Persons to place the interests of clients and Investors above their own interests. The Code of Ethics requires Access Persons to comply with applicable federal securities laws. Further, Access Persons are required to promptly bring violations of the Code of Ethics to the attention of the Chief Compliance Officer. All Access Persons are provided with a copy of the Code of Ethics and are required to acknowledge receipt of the Code of Ethics on at least an annual basis.

We have adopted a Code of Ethics that describes the standards of business conduct that we require of employees and establishes procedures intended to prevent us, and our personnel and certain of their relatives, from inappropriately benefiting from our relationships with clients.

Our Code of Ethics provides that:

- Our clients' interests come before our employees' interests and, except to the extent otherwise provided in client agreements, before our own interests;
- We must disclose all material facts about conflicts of which we are reasonably aware between ourselves and our employees' interests, on the one hand, and our clients' interests, on the other;
- Our employees must operate on our and their own behalf consistently with our disclosures to, and arrangements with, our clients regarding conflicts and our efforts to manage the impacts of those conflicts;
- We and our employees must not take inappropriate advantage of our or their positions of trust with or responsibility to our clients; and
- We and our employees must comply with all applicable securities laws.

Our Code of Ethics includes procedures for, and restrictions on, employee trading intended to prevent employees from benefiting from, or appearing to benefit from, any price movement caused by client transactions or our recommendations regarding securities. Among other things, these include requirements that employees make a written request for, and receive clearance from, our Chief Compliance Officer (or his designees) before they buy or sell any security (other than certain government securities, shares of mutual funds not advised by us, and certain other types of securities that we do not believe create a potential for conflicts of interest) and prohibitions of transactions in securities that we are actively considering, or are, buying or selling for client accounts. The Code of Ethics also contains restrictions on and procedures to prevent inappropriate trading while we are in possession of material nonpublic information (including information about our trading activity for clients).

Our Code of Ethics is available to existing or prospective clients and investors upon request.

Personal Trading for Associated Persons

No employee may effect a transaction in an equity security for an employee's account if the employee knows that we are effecting or are considering effecting an equivalent transaction in the same equity security for client accounts. Transactions in options, derivatives or convertible instruments that are related to an equity security in which Harvest is effecting or considering effecting transactions for client accounts are subject to the same limitations. The Chief Compliance Officer or his designee may consider granting an exception to this prohibition, but these exceptions will be rare.

No employee may trade on the same or opposite side in an equity position for an employee's account within five trading days after a client account trades the same security (a "Blackout Period"). Accordingly, any such trades will be made on the sixth trading day.

If one of our employees effects a transaction (in compliance with preclearance and other requirements) and we then effect any same-way transactions for client accounts in the same security within the applicable Blackout Period, the employee may, or may not, be considered to have violated the Blackout Period requirements. He or she may submit a written explanation to the Chief Compliance Officer including a representation that he or she had no material non-public information concerning the subject security at the time of his or her transaction. If the Chief Compliance Officer accepts the explanation, the employee will be considered not to have violated the Blackout Period requirements and the transaction may stand. However, if the Chief Compliance Officer, in his discretion, does not accept the employee's explanation, the employee will be required to rescind the transaction (which may involve disgorging profits) and he or she could be subject to other sanctions.

We may also be limited or restricted from trading in a particular security due to our or our affiliates' securities positions, contractual relationships, information to which we or they are privy or for other legal or regulatory reasons. See the discussion under "Item 5: Fees and Compensation – Other Compensation and Conflicts of Interest."

As required by Rule 204A-1 of the Advisers Act, Harvest requires its Access Persons to report their securities transactions on a quarterly basis and disclose their securities holdings upon employment and on an annual basis thereafter. Shares issued by any registered investment company for which Harvest serves as investment adviser (or sub-adviser) or whose investment adviser or principal underwriter controls, is controlled by, or is under common control with, Harvest are also subject to all of the reporting, pre-clearance, and other requirements under our Code of Ethics.

Principal Transactions

The Advisers Act generally requires that, when an investment adviser or an affiliate of the adviser proposes to purchase a security from, or to sell a security to, an advisory client (what is commonly referred to as a "principal transaction"), the adviser must make certain disclosures to the client of the terms of the proposed transaction and obtain the client's consent to the transaction. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated pooled investment vehicle (i.e., where Harvest and its affiliates are deemed to own more than 25% of a Fund) and another client account or where a Fund purchases securities in or through an entity affiliated with Harvest.

In the event that Harvest or any of its affiliates do engage in a principal transaction, any required approvals will be obtained in accordance with the terms of the applicable Fund Agreement and such transaction will be undertaken in compliance with Section 206(3) of the Advisers Act.

ITEM 12: BROKERAGE PRACTICES

Each of our Funds and Separately Managed Accounts (if applicable) may incur brokerage commissions and other transaction expenses. We have complete discretion in deciding what brokers, dealers, banks and other financial intermediaries and counterparties with or through which to execute or enter into portfolio transactions, including through entities that are affiliated with us (collectively, “Transacting Parties”). In addition to paying commissions to Transacting Parties in connection with transactions effected on any agency basis, our Funds or Separately Managed Accounts may buy or sell securities directly from or to Transacting Parties acting as principal (such as market-makers for over-the-counter securities) at prices that include markups or markdowns and may enter into derivatives transactions with Transacting Parties on terms that provide other compensation to those Transacting Parties. We have complete discretion in negotiating all these compensation arrangements. The following describes some noteworthy aspects of our use of, and relationships with, Transacting Parties.

Selection Criteria, Generally

As an SEC-registered investment adviser, we have a general duty to seek “best execution” for our clients’ securities transactions. What constitutes “best execution,” and determining how to achieve it, are inherently uncertain. In choosing Transacting Parties, we are not required to consider any particular criteria. Moreover, the determinative factor is not the lowest possible cost, but whether the transaction represents the overall best qualitative execution, taking into consideration the full range of a Transacting Party’s services. In evaluating whether a Transacting Party will provide best execution, we consider a range of factors. These include, among others:

- historical net prices (after markups, markdowns or other transaction-related compensation) on other transactions;
- the execution, clearance and settlement and error correction capabilities of the Transacting Party generally and in connection with securities of the type and in the amounts to be bought or sold;
- the Transacting Party’s willingness to commit capital;
- the Transacting Party’s reliability and financial stability;
- the size of the transaction;
- the availability of securities to borrow for short sales;
- the market for the security; and
- as discussed more fully below, the nature, quantity and quality of research and other services and products provided by the Transacting Party.

We are not required to select the Transacting Party that charges the lowest transaction cost, even if that Transacting Party can provide execution quality comparable to other Transacting Parties, and our Funds and Separately Managed Accounts (if applicable) should be expected at times to pay more than the lowest

transaction cost available in order to obtain services and products other than the execution of securities transactions, as described in greater detail below.

Harvest generally does not execute trades with an affiliated broker-dealer. Harvest may participate in underwritten offerings where an affiliate is part of the syndicate. Harvest does not execute trades with its affiliate in these circumstances and ensures that its affiliate will not be compensated as a result of Harvest's participation in the underwritten offering. Please see Item 10 for more information on the use of affiliated underwriters.

Soft Dollars

We may select Transacting Parties in recognition of the value of various services or products, beyond transaction execution, that they provide to our Funds, to our Separately Managed Account clients, or to ourselves. Selecting a Transacting Party in recognition of the provision of services or products other than transaction execution is known as paying for those services or products with soft dollars.

Conflicts of Interest. Although customary, these arrangements present potential conflicts of interest in allocating securities transactional business to broker-dealers in exchange for soft dollar benefits. When we use soft dollars to obtain research or other products and services, we receive a benefit because we do not have to produce or pay for that research or those other products or services using cash from other sources. And, because many products and services that we receive from Transacting Parties will provide general benefits to us, our interests in allocating securities transactional business may conflict with those of a Fund or Separately Managed Account. For example, we may have an incentive, in order to induce brokers and dealers to provide us with services or benefits to, among other things, cause a Fund or Separately Managed Account to:

- pay higher commissions and other compensation than it would otherwise pay broker-dealers that do not provide soft dollar services or products;
- place more trades than would be optimal for a Fund's or Separately Managed Account's investment strategy;
- use broker-dealers that do not obtain for a Fund or Separately Managed Account the best possible price on portfolio transactions; and
- use (and pay) broker-dealers in effect to act as intermediaries with other broker-dealers who actually execute transactions.

The extent of the conflicts of interest arising out of the use of soft dollars depends in large part on the nature and uses of the services and products acquired with soft dollars. We may or may not use other clients' soft dollars to pay for services and products a Fund or Separately Managed Account pays for and, if we do, that use will not necessarily be in proportion to account size, transaction volume, or uses of those services and products.

"Safe Harbor" under Section 28(e). A federal statute, Section 28(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), recognizes the potential conflict of interest involved in the use by an investment manager (such as Harvest) of soft dollars generated by securities transactions to pay for various expenses but provides a "safe harbor" from breach of fiduciary duty claims if certain conditions and requirements are met. Under the Section 28(e) safe harbor, soft dollars may be used to acquire

“research” and “brokerage” services and products for which a Fund or Separately Managed Account would not otherwise be required to pay. Services or products generally constitute “research” under Section 28(e) if they constitute advice, analyses or reports any of which express reasoning or knowledge as to the value of securities, or the advisability of investing in or trading securities, or as to issuers, industries, economic factors and trends, portfolio strategy or performance, but only to the extent we use them for lawful and appropriate assistance in making investment decisions for a Fund or a Separately Managed Account client. “Brokerage” services and products are those used to effect portfolio transactions or for functions that are incidental to effecting those transactions (such as clearance, settlement or short-term custody related to effecting clearing or settling transactions) or regulatorily required in connection with transactions. Using soft dollars to pay for services and products other than research and brokerage is not protected by the safe harbor, but does not necessarily constitute a violation of any law or fiduciary duty. Similarly, use of non-commission soft dollars or otherwise failing to satisfy procedural elements of the Section 28(e) safe harbor are not protected but are not necessarily prohibited. Nevertheless, we generally intend to use soft dollars (including markups and markdowns on principal transactions where protected) for purposes, and in ways, that satisfy the requirements of the Section 28(e) “safe harbor.”

Research and Brokerage. The types of “research” we receive from Transacting Parties include: reports on or other information about particular companies or industries; economic surveys and analyses; recommendations as to specific securities; financial and industry publications; portfolio evaluation services; financial database software and services; computerized news, pricing and statistical services; analytical software; proxy analysis services and systems (to the extent used to assist in making investment decisions), quotation services; and other products or services that enhance our investment decision-making. The types of “brokerage” services and products (beyond typical execution services) we receive include: communications and connectivity services related to execution, clearing, and settlement of securities transactions (e.g., dedicated lines between a broker-dealer and Harvest’s Order Management System (OMS) or other message services used for such things as communicating orders and settlement related information electronically to executing Transacting Parties and the Funds’ prime brokers); post-trade matching of trade information; communicating allocation instructions; and other clearance and settlement functions.

We may use Fund soft dollars for “mixed use” products and services—products and services that are used in part for research or brokerage purposes and in part for other purposes. In the event any products or services obtained with client commissions have “mixed uses,” we will make a good faith and reasonable allocation of the cost of the product according to its use, in accordance with the SEC’s interpretive guidance. Although we will make a good faith and reasonable allocation of the eligible costs of the product or service for brokerage or research, the allocation determination itself poses a potential conflict of interest since we may have an incentive to overestimate the soft dollar portion allocated to the “mixed use” product or service in order to avoid paying for such brokerage or research with “hard dollars.” Even where our use of soft dollars to acquire research and brokerage services and products is protected by Section 28(e), we will have a conflict of interest in connection with that use because we might otherwise have to pay cash for those services and products and we may have an incentive to use Transacting Parties who provide those services and products more than we otherwise would.

Procedures. Harvest periodically considers the amount and nature of research and brokerage products and 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 Funds’ brokerage business on the basis of that consideration.

Transacting Parties from which we obtain soft dollar services or products generally establish “credits” based on past transactional business (including markups and markdowns on principal transactions), which will be used to pay or reimburse us for specified expenses. In some cases the process is less formal, and a Transacting Party simply suggests a level of future business that would fully compensate the Transacting Party for services or products it provides. A Fund’s or Separately Managed Account’s actual transactional business with a Transacting Party may be less than the suggested level but can—and often will—exceed that level, and credits established may exceed the amounts used to acquire services and products. This may be in part because the Fund’s or Separately Managed Account’s investment activities generate aggregate commissions in excess of the levels of future business suggested by all Transacting Parties who provide services and products. And it may be in part because those Transacting Parties also provide superior execution and may therefore be most appropriate for particular transactions. We may ask a Transacting Party who is executing a transaction for several accounts managed by us to “step out” of a portion of the transaction in favor of a Transacting Party who has provided or is willing to provide products or services for soft dollars. That is, the executing Transacting Party will allow a portion of the overall commissions or other compensation to be paid to the soft-dollar Transacting Party. This assists us in acquiring products and services with soft dollars while providing the benefits of aggregated transactions (as described in more detail below).

Cross and Agency Cross Transactions

We may (but generally do not and are not obligated to) cause our Funds to effect “cross” transactions (i.e., buy and sell securities from and to each other), subject to applicable law or regulation. We may do so if we believe that the cross transaction will be beneficial to both parties.

Harvest is not a registered broker-dealer and Harvest generally does not execute trades with an affiliated broker-dealer. Accordingly, Harvest does not engage in “agency cross transactions” (a transaction in which a person acts as an investment adviser in relation to a transaction and the adviser (or an affiliate) also acts as broker for both the advisory client and the other party to the transaction).

Aggregation of Orders

Harvest recognizes its duty to seek to treat all clients fairly and equitably. Consistent with such overriding principle, we have adopted procedures regarding the allocation and aggregation of investment opportunities on behalf of clients. Harvest is not obligated to purchase or sell for each client every security which Harvest or its employees may purchase or sell for other clients. Certain of our clients’ operative documents contain investment restrictions and may not be allocated certain trades that are allocated to other clients. Accordingly, while we will make every effort to act fairly and equitably, there can be no assurance of equality of treatment among clients or that any investment will be proportionally allocated among clients.

We generally (but are not required to) combine orders on behalf of a Fund or Separately Managed Account with orders for other accounts which have the same trading strategy. When we do so, we will allocate the securities or proceeds arising out of those transactions (and the related transaction expenses) on an average price basis among the various participants. We believe combining orders in this way will, over time, be advantageous to all participants. However, the average price could be less advantageous to a particular Fund or Separately Managed Account than if that Fund or Separately Managed Account had been the only account effecting the transaction or had completed its transaction before the other

participants. Because we also have an interest in particular Funds, there may be circumstances in which a Fund's transactions may not, under certain laws and regulations, be combined with those of some of our other clients, and that Fund may obtain less advantageous execution than those other clients.

Notwithstanding the forgoing, Harvest is presently not a significant participant in block trades and is of the view that it may be more operationally efficient at times to fill trades on a client-by-client basis. In these situations, we expect to adjust the order of which client trades in the same security to seek to ensure that a particular client is not systematically disadvantaged or advantaged when we elect not to aggregate trades.

Directed Brokerage; Prime Brokerage

We do not have any "directed brokerage" arrangements with our Funds. Instead, each Fund obtains custodial, clearing, and related services through what is known as a "prime brokerage" arrangement. By using brokerage firms for these functions the Fund avoids paying custodial fees that banks charge other institutional investors. Prime brokers are compensated through brokerage commissions, interest on credit balances, margin borrowings, and stock loans. A Fund might be thought of as "directing" us to place transactions with a prime broker in order to pay for the custodial, clearing and related services the Fund obtains from the prime broker.

Under certain circumstances, a prime broker provides services to us and/or our affiliates, distinct from the custodial, lending and related services the prime broker provides a Fund and other clients. These services include, among other things, information technology, website hosting, portfolio management software license and support service, consulting services with respect to various aspects of our business and introducing us to prospective advisory clients and prospective investors in the Fund and other investment funds we manage. They may be provided at lower than the market price for similar services or for no charge. A prime broker may also enter into financial transactions with us or our affiliates, and these transactions may be on terms more favorable than the terms available with other counterparties. These transactions might include lending money to us or our affiliates. To the extent we or our affiliates receive services from a prime broker at lower than market prices, or enter into transactions on terms better than terms available in the market, or collect fees from investments by a prime broker into our Funds, because we are responsible for selecting the prime broker or negotiating the rates of compensation paid to the prime broker by our Funds, conflicts may exist between our interests and those of our Funds. We may have an incentive to cause a Fund to accept less favorable pricing for prime brokerage services (including interest and similar charges on margin borrowings and short positions) than might be available otherwise or to continue to use a prime broker when a Fund would not otherwise do so. We believe the compensation a Fund pays the prime broker is reasonable and competitive with rates charged by other prime brokers for services of comparable quality.

ITEM 13: REVIEW OF ACCOUNTS

Our Funds' portfolios are generally reviewed with regard to positions held, risk, and exposure on a daily basis by our portfolio managers, operations personnel, and the Chief Operating Officer.

We do not provide formal reports to the Funds, as we (or our affiliate) are their sole general partner or investment manager. Each Fund's financial statements are audited annually by an independent certified public accounting firm and those audited financial statements are provided to investors. The Funds also

provide periodic unaudited financial reports and performance updates to investors. The Funds also provide each investor with a Schedule K-1 or other appropriate information to enable investors to prepare their income tax returns.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

We have and may in the future compensate independent third parties, as well as our broker-dealer affiliates (including JMP Securities and Citizens Capital Markets, Inc.), for client and investor referrals. Our compensation arrangements for referrals generally require us to pay a portion of the advisory fees, Incentive-Based Compensation, or other compensation that we receive over specified periods from clients or investors referred to us. All of our arrangements are structured so as to comply with the requirements of Rule 206(4)-3, as applicable.

ITEM 15: CUSTODY

Pursuant to Rule 206(4)-2 under the Advisers Act (the “Custody Rule”), Harvest is deemed to have custody of the assets held by the Funds because we or our affiliate serve as general partner or managing member of the Funds. Harvest does not have custody of client funds or securities for our Separately Managed Accounts because we generally do not have the authority to make withdrawals from client accounts or to otherwise obtain possession of client funds or securities.

The Custody Rule generally requires SEC-registered investment advisers that have custody of their clients’ assets to have a reasonable belief, after due inquiry, that a qualified custodian sends account statements detailing holdings and transactions directly to clients at least quarterly and impose certain other obligations. However, advisers to privately offered pooled investment vehicles like the Funds need not comply with those requirements if, among other things, the Funds are subject to annual audit by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board in accordance with its rules and such Funds provide investors with audited financial statements prepared in accordance with generally accepted accounting principles (“GAAP”) by a specified time each year. We satisfy those conditions and therefore are exempt from the custodial account statement delivery obligations and will be deemed to have complied with the surprise examination requirement under the Custody Rule. Harvest will provide investors in the Funds with audited financial statements, prepared in accordance with U.S. GAAP, within 120 days of the end of the Funds’ respective fiscal years (180 days in the case of a fund of funds). In the event of a liquidation of a Fund, we will obtain a final liquidation audit of the Fund’s financial statements in accordance with GAAP and distribute it to Investors in the relevant Fund promptly after completion of the audit.

As noted above, Harvest will generally not be deemed to have custody of its Separately Managed Account clients’ funds and securities. However, to the extent that we are deemed to have custody of a Separately Managed Account client’s funds and securities in the future, such funds and securities will be maintained with a qualified custodian, and we will provide notice to each client indicating the name and address of the custodian holding the client’s assets. Harvest ensures that it has a reasonable belief, after due inquiry, that the qualified custodian sends account statements to the Separately Managed Account client directly at least quarterly. Such clients are urged to carefully review such statements and compare them to any account statements received from Harvest.

ITEM 16: INVESTMENT DISCRETION

Our agreements with our Funds generally grant us complete discretion to manage the Funds' investment portfolios, without any specific limitations. Our Separately Managed Account clients generally negotiate investment restrictions relevant to their specific circumstances. See the description above in "Advisory Business" and "Methods of Analysis, Investment Strategies and Risk of Loss."

ITEM 17: VOTING CLIENT SECURITIES

Our guidelines generally provide that proxies be voted in accordance with management recommendations. However, our portfolio managers have discretion to deviate from such guidelines. If the relevant portfolio manager determines that it is appropriate to exercise voting rights differently in a particular instance, the portfolio manager will make a determination as to how to vote that proxy.

Conflicts of Interest

We recognize that, in certain circumstances, we will face conflicts of interest in making decisions as to how proxies should be voted. These circumstances include proxy solicitations by issuers with whom we or its affiliates, including Citizens Financial Group, Inc. (or any of its subsidiaries), or our individual portfolio managers, have material business relationships.

Our Chief Compliance Officer generally monitors the potential for conflicts of interest with respect to proxy voting, particularly with respect to proxies: (i) for issuers in which we or our Funds are deemed to have "beneficial ownership" that exceeds 5% and that is reportable under Section 13 of the Exchange Act; and (ii) for issuers involved in transactions where Citizens Financial Group, Inc. (or any of its subsidiaries) is known to be acting as a financial adviser or other financial intermediary, or to have other material business relationships.

If a conflict of interest with respect to a proxy vote is identified, we will not vote the proxy until it has been determined that the conflict of interest is not material, or we take appropriate steps to resolve the conflict of interest. Our Chief Compliance Officer will determine whether a conflict of interest is material. Materiality determinations will be based on an assessment of the particular facts and circumstances.

If our Chief Compliance Officer determines that a conflict of interest is material, one or more methods may be used to resolve the conflict, including:

- Causing the proxies to be "echo voted" or "mirror voted" in the same proportion as the votes of other proxy holders;
- Causing the proxies to be voted in accordance with the recommendations of an independent service provider that we may use to assist it in voting proxies;
- Disclosing the conflict to the client and obtaining the client's consent before voting; or
- Such other method as is deemed appropriate under the circumstances, given the nature of the conflict.

Our Chief Compliance Officer maintains a written record of the method used to resolve all material conflicts of interest arising with respect to proxy votes. Clients may obtain a copy of our proxy voting

policies and procedures, as well as relevant proxy voting records, by making a written request to us at the address given on the cover page of this brochure.

ITEM 18: FINANCIAL INFORMATION

We do not charge or solicit pre-payment of more than \$1,200 in fees per client six months or more in advance. We have never filed for bankruptcy and are not aware of any financial conditions that are reasonably likely to impair our ability to meet our contractual obligations to clients.