

Item 1
Cover Page

Senator Investment Group LP
Part 2A of Form ADV
The Brochure

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This “**Brochure**” provides information about the qualifications and business practices of Senator Investment Group LP (“**Senator**”, “**we**”, “**us**”, and similar terms). If you have any questions about the contents of this Brochure, please contact us at 212-376-4300. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “**SEC**”) or by any state securities authority.

Senator is registered as an investment adviser with the SEC. Registration with the SEC does not imply a level of skill or training.

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

Item 2

Material Changes

Senator is required to identify and discuss any material changes made to its Brochure since its last annual update.

We last filed an annual update to this Brochure on March 30, 2022 and there have been no material changes since that update. This Brochure does, however, contain clarifying changes and routine updates to certain information and investors should review this Brochure carefully and in its entirety.

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Item 4

Advisory Business

Senator Investment Group LP (“**Senator**”) is a Delaware limited partnership established in 2008 and majority owned, directly and indirectly, by Douglas Silverman and Alexander Klabin.

Senator provides discretionary investment advisory services to a variety of domestic and offshore private investment vehicles (each a “**Fund**”, and collectively, the “**Funds**”): (1) Senator Global Opportunity Fund LP, a Delaware limited partnership (the “**Domestic Global Fund**”), (2) Senator Global Opportunity Offshore Fund Ltd, a Cayman Islands exempted company (the “**Offshore Global Fund**”), (3) Senator Global Opportunity Offshore Fund II Ltd, a Cayman Islands exempted company (the “**Offshore Global Fund II**”), (4) Senator Global Opportunity Master Fund L.P., a Cayman Islands exempted limited partnership (the “**Global Master Fund**” and collectively with the Domestic Global Fund, the Offshore Global Fund and the Offshore Global Fund II, the “**Opportunity Funds**”) and (5) Senator Innovation and Sustainability Fund LP, a Delaware limited partnership (the “**SIS Fund**”). Each of the Domestic Global Fund, Offshore Global Fund and Offshore Global Fund II invests substantially all of its assets in the Global Master Fund.

Senator also offers advisory services to co-investment and special purpose investment accounts and vehicles. Such investment vehicles may have investment programs that overlap in part with the Funds. Senator may offer discretionary and non-discretionary advisory services to co-investment vehicles or other special opportunities vehicles, on a primary or a sub-advisory basis.

As used herein, the term “client” generally refers to each Fund, co-investment vehicle or special opportunities vehicle.

This Brochure does not constitute an offer to sell or solicitation of an offer to buy any securities. The securities of the Funds are offered and sold on a private placement basis under exemptions promulgated under the Securities Act of 1933 and other applicable state, federal or non-U.S. laws. Significant suitability requirements apply to prospective investors in the Funds, including requirements that they be “accredited investors” as defined in Regulation D, “qualified purchasers” as defined in the Investment Company Act, or non-“U.S. Persons” as defined in Regulation S. Persons reviewing this Brochure should not construe this as an offer to sell or a solicitation of an offer to buy the securities of any of the Funds or any other investment vehicles described herein. Any such offer or solicitation will be made only by means of a confidential private placement memorandum.

Our investment decisions and advice with respect to each Fund will be subject to each Fund’s investment objectives and guidelines, as set forth in its respective offering documents. The Opportunity Funds’ investment objective is to pursue opportunistic investments, long and short, in distressed debt, value and event equities, and special situations. These investment opportunities may include long investments in distressed or stressed equity and credit situations, investment grade and

high yield debt, capital structure trades, special situations involving spin-offs, litigation plays and other events, and deep value opportunities.

Senator invests in a broad range of securities and can invest at any level of a company's capital structure, including bank debt, corporate bonds, equities, preferred stock, convertible securities, trade claims, credit default swaps, options, and other derivative instruments. Senator will also opportunistically pursue private equity investments and other illiquid investments as deemed appropriate. Senator invests on a global basis, in the U.S., the United Kingdom, continental Europe, Canada, Asia, and Latin America.

Generally, neither the Funds nor their underlying investors may impose restrictions on investing in certain securities or types of securities.

The descriptions set forth in this Brochure of specific advisory services that we offer to our clients, and investment strategies pursued and investments made by us on behalf of our clients, should not be understood to limit in any way our investment activities. We may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that we consider appropriate, subject to each client's investment objectives and guidelines. The investment strategies we pursue are speculative and entail substantial risks. Clients should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any client will be achieved.

Senator does not participate in wrap fee programs.

As of December 31, 2022 Senator managed approximately \$4,891,627,000 in regulatory assets under management. All of these assets are managed on a discretionary basis.

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Fees and Compensation

General. Senator is compensated, under investment management agreements, for providing services to the Funds; disclosure of Senator's compensation is set forth in each Fund's offering materials. The compensation generally includes both management fees, which are generally payable quarterly in advance, and performance-based allocations.

Management fees and performance-based allocation terms are more favorable for investors in the Opportunity Funds that held interests as of July 1, 2020 and for co-investment or other special purpose investment accounts. Management fees, performance-based allocation terms and other economic terms can vary from those described above on a client-by-client basis.

Co-investment or other special purpose investment accounts will be subject to independently negotiated terms, which may or may not be subject to a management fee or performance-based compensation.

Fees and compensation paid to Senator or its affiliates by the Funds are generally deducted from the assets of such clients. As discussed below, management fees are generally deducted on a

quarterly basis and performance compensation is generally deducted on an annual basis or, for the SIS Fund, co-investment funds and similar clients, when disposition proceeds are distributed.

Management Fees. Management fees payable by the Funds generally range between 0.9%, and 1.5% per annum (depending on the class or tranche of equity interest in the relevant Fund). Management fees are generally paid quarterly in advance, and are calculated on assets under management or, with respect to the SIS Fund, on invested capital. Investors in the Funds are not able to redeem prior to the end of each quarterly billing period.

Performance Allocation. Senator, or one of its affiliates, typically receives a performance-based allocation ranging from between 15.75% to 25% (depending on the class or tranche of equity interest in the relevant Fund, with the performance-based allocation in respect of certain classes or tranches also subject to a hurdle) of the net realized and unrealized appreciation in the net asset value of the Opportunity Funds above a high watermark at the end of each year, although co-investment and other special purpose investment accounts may have lower performance-based structures. Senator will occasionally earn transaction-related fees for services to portfolio companies, including deal and consulting fees. These fees either offset management fees or are otherwise payable to the applicable Fund. Similar carried interest arrangements apply to other Senator Funds, the terms of which are set forth in the applicable offering documents or investment management agreements.

Expenses. In addition to Senator's management fee and performance-based allocations, investors in the Funds will indirectly bear the fees and expenses charged to the Funds. The following sets forth various examples of the types of expenses that generally will be borne by a client or clients, subject to the terms of such client's governing documents, including costs, fees and expenses related to portfolio investments or prospective investments (whether or not consummated), such as the expenses incurred in connection with the evaluation, acquisition, holding and disposition thereof and all third-party expenses in connection therewith (including, without limitation, brokerage commissions, price validation, interest on, and fees and expenses arising out of, debit balances or borrowings, dividends payable with respect to securities sold short, exchange, clearing and National Futures Association fees, give-up and intermediation fees, clearing and settlement charges, execution costs of digital asset exchanges, custodial fees, including costs related to security and custody of virtual currencies and other digital assets (including costs of third-party wallet providers) and expenses relating to technology, hardware, software or other technology to acquire digital assets, travel expenses in connection with investment activity (including travel, meals and lodging costs), appraisal fees, investment banking expenses and professional investigatory services, accounting fees, consulting fees, other professional fees, due diligence expenses, fees and profit-sharing payments due to unaffiliated advisers, sub-advisers and consultants, risk monitoring expenses, specific expenses incurred in obtaining or maintaining systems (including without limitation, costs and other expenses associated with systems used to prepare, facilitate or otherwise provide assistance with regulatory filings in connection with the Funds), research-related expenses (including news and quotation equipment and services, market data services, third party research consultant services, data providers, analytic services and any information technology hardware, software or other technology incorporated into the cost of obtaining such research and market data) and other trading costs, fees and expenses relating to information technology hardware, software or other technology (including costs of software licensing, implementation, data management and recovery services and custom development) used to evaluate risk, facilitate valuations or otherwise

manage a Fund, information and information service subscriptions utilized with respect to each Fund's investment program, including internet charges (e.g., T-1 lines necessary for Bloomberg terminals), any tax-related structuring or legal fees and expenses incurred, any withholding, transfer or other taxes imposed on the Funds, broken deal, sourcing or finder's fees, break-up or similar fees and expenses related to organizing any alternative investment vehicle through which investments may be made and other execution and transaction costs), to the extent that such costs, fees and expenses are not reimbursed by a third-party.

The investors in the Funds pay for all costs, fees and expenses incurred in connection with the organization of the Funds and the initial offering of interests or shares (excluding any employee compensation or marketing-related travel), including, without limitation, legal, printing, technology and systems (such as technology or systems related to the administration, accounting, trading, research, or operation of the Funds' investing activities), accounting and administration expenses, filing fees (including any "blue sky" filing fees) and other out-of-pocket expenses ("**Organizational Expenses**").

The investors in the Funds also pay, or reimburse Senator for, all other operating fees and expenses or out-of-pocket costs of the administration of the Funds, including, without limitation, ongoing offering fees and expenses (excluding any employee compensation or marketing-related travel), accounting (including expenses associated with the preparation of the Funds' financial statements and tax returns (if any), and any other tax information relating to the Funds), audit, administration and legal expenses (including, without limitation, costs and other expenses associated with regulatory filings related to the Funds), registrar and transfer agency expenses, expenses relating to the Global Master Fund's advisory board (or other advisory committee specific to such other Fund), costs of any litigation or investigation involving the Funds' activities, indemnification payments (including settlement costs), costs associated with maintaining insurance to protect the Funds, Senator or any other covered person from liabilities to third persons in connection with the Funds' affairs (including liability premiums), taxes and other governmental charges, fees and duties payable by the Funds, including any governmental, regulatory, licensing, filing or registration fees incurred in compliance with the rules of any self-regulatory organization or any federal, state or local or other applicable laws, damages incurred by the Funds or any covered person, extraordinary fees and expenses, if any, and costs of winding up and liquidating the Funds, but not including any Organizational Expenses. Such costs will include the Funds' allocable share of the fees and expenses of any third party providers of "back office" and "middle office" services relating to trade settlement, and accounting and related operations for the Funds.

Not all expenses above are applicable to each Fund. Please refer to the applicable Fund offering materials for a more extensive description of the fees and expenses applicable to each Fund.

Finally, certain investors in the Funds, who generally include employees of Senator, their family members or other related persons, may not be charged management and/or performance-based allocations based on their investment in the Funds. Such investors will, however, either directly pay for their pro-rata share of Fund expenses, or the pro-rata amount of such expenses will be allocated to Senator.

Clients will incur brokerage and other transaction costs in connection with Senator's advisory services. Please refer to the discussion of Senator brokerage practices in Item 12 below.

Other than as described above, neither Senator nor any of its supervised persons receives any compensation from the sale of securities or other investment products.

Item 6

Performance-Based Fees and Side-by-Side Management

Senator receives performance-based compensation. A description of the performance-based compensation is provided in Item 5 above.

Senator and its affiliates do not have any clients (excluding liquidating vehicles no longer participating in investments) that are not charged performance-based compensation. Senator and its affiliates may receive management fees and performance-based compensation from one Fund that is higher or lower than the management fees and performance-based compensation borne by investors in other Funds. As a result, Senator and its affiliates could be incentivized to favor a client from which it collects higher management fees and performance-based compensation over other clients from which it collects lower management fees and performance-based compensation. Senator and its affiliates could favor higher fee-paying clients by allocating a large share of more attractive investment opportunities to such clients or spending more time and resources managing investments for such clients.

The fact that Senator is in part compensated based on the performance of the Funds may create an incentive for Senator to make investments on behalf of clients that are riskier or more speculative than would be the case in the absence of the performance-based compensation arrangement. To mitigate this conflict, Senator manages the Funds in accordance with the investment strategies and risk parameters disclosed in the Funds' offering materials.

Item 7

Types of Clients

Senator's clients are generally Funds formed as partnerships and limited companies in U.S. and foreign jurisdictions. The investors in the Funds include among others, U.S. and foreign-based high net worth individuals, corporations, trusts, institutions, financial institutions, and government entities. Although certain Funds' minimum subscription amount range from \$1 million to \$5 million, the minimum may be waived in accordance with any applicable provisions in the Funds' offering materials. Further details are available in the relevant Fund's offering documents and subscription agreements. As described in Item 4, Senator may also provide advisory services to co-investment and other special purpose accounts.

Senator and/or the Funds may enter into side letters or similar agreements with certain investors which may have the effect of establishing rights, terms or conditions (including, without limitation, reductions in management fees and performance-based allocations or other preferential terms, such as access to co-investment opportunities) with respect to such investors that are more favorable than the rights, terms and conditions established in favor other investors.

From time to time, certain firms or individuals that Senator and/or the Funds conduct business with may invest in the Funds. There is a potential conflict of interest arising from such investments in that Senator and/or the Funds may have an incentive to maintain or increase its level of business with such individuals or firms as a result of these investments (e.g., services providers and broker/dealers utilized by Senator). Senator evaluates these relationships on an ongoing basis in the context of these investments in order to ensure that these potential conflicts of interests are mitigated.

Item 8

Methods of Analysis, Investment Strategies and Risk of Loss

Please refer to the Funds’ offering documents for a more detailed discussion of our investment strategies and related risks. Investors in co-investment or other special purpose accounts advised by Senator should also review the disclosures in this item, although not all risk factors may be applicable to a particular co-investment or special purpose account’s investment strategy.

Investment Strategy. Senator generally pursues a global and opportunistic strategy for investing in distressed debt, value equities and event equities. Senator will also pursue a global and opportunistic strategy for investing in “less-than-liquid” situations, including private or illiquid debt and equity investments, as well as virtual currencies, digital assets and related assets and derivatives, each as deemed appropriate. Senator emphasizes capital preservation and seeks to mitigate risk. Senator’s allocation of capital depends upon where it believes the most attractive risk-adjusted opportunities exist.

The descriptions set forth in this Brochure of specific advisory services that we offer to clients, and investment strategies pursued and investments made by us on behalf of its clients, should not be understood to limit in any way our investment activities. We may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that we consider appropriate, subject to each client’s investment objectives and guidelines. The investment strategies we pursue are speculative and entail substantial risks. Clients should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any client will be achieved.

Senator utilizes an analytical framework that it believes helps to filter out unattractive ideas by addressing the: (i) quality of the business or asset and its management team; (ii) absolute valuation; (iii) likelihood and impact of catalysts; (iv) proprietary nature of the idea and liquidity; and (v) asymmetric return potential. Upon thorough scrutiny of all of these considerations, Senator then attempts to select opportunities with the greatest asymmetric upside potential and short opportunities with the greatest asymmetric downside potential.

With respect to the SIS Fund, Senator’s investment objective is to seek to deliver attractive absolute returns by employing an opportunistic strategy for investing primarily in private securities with a focus on three core opportunities: life sciences, financial technology, and sustainability. Senator expects that these investments will generally be made in growth to late-stage private companies where Senator believes there is a compelling opportunity to earn attractive returns and also achieve a full exit within the time horizon of the SIS Fund’s term. With respect to the SIS Fund, Senator’s

core focus is to identify companies that are at the forefront of innovation and driving disruption with new technology – digital, biological, industrial and more – across life and materials sciences, financial technology and the sustainability space.

Investment Risks. An investment in the Funds entails a significant degree of risk and therefore should be undertaken only by investors capable of evaluating the risks of the Funds and bearing the risks it represents. There is no guarantee that our analyses and overall execution of our investment strategies will be successful. The past investment performance of Senator cannot be taken to guarantee future results of the Funds or any investment in the Funds. Investors could lose some or all of their investment.

Set forth below is a non-exhaustive list of risks associated with an investment in the Funds. These risk factors include only those risks we believe to be material, significant or unusual and relate to particular significant investment strategies or methods of analysis employed by us. Please refer to the applicable Fund offering materials for a more extensive description of the risks of investing in the Funds:

Overall Investment Risk. All investments risk the loss of capital. The nature of the securities to be purchased and traded by the Funds, and the investment techniques and strategies to be employed in an effort to increase profits, may increase this risk. Senator believes that the Funds' investment program, research, and possible board participation may moderate this risk. There can be no assurance, however, that the Funds' program will be successful or that investors in the Funds will realize a profit on their investment. Moreover, investors may lose all or substantially all of their investments in the Funds. Unforeseeable events, including, but not limited to, actions by various government agencies, domestic and international political events and other market disruption events, may cause sharp market fluctuations or interrupt the activities of the Funds and their service providers. Because of the nature of the investment activities, the results of the Funds' operations may fluctuate from month to month and from period to period. Accordingly, investors should understand that the results of a particular period will not necessarily be indicative of results of future periods.

Dependence on Key Personnel. The success of the Funds is largely dependent upon the continued service of Douglas Silverman, Senator and Senator's principals, associates, and other employees. There can be no assurance that such persons will remain willing or able to provide advice to the Funds. The performance of Senator depends upon certain key personnel, including Douglas Silverman. The loss of the services of one or more of such persons could have a material adverse effect on the Funds.

Systems and Operational Risks. The Funds depend on Senator to develop and implement appropriate systems for the Funds activities. The Funds rely heavily and on a daily basis on financial, accounting and other data processing systems to execute, clear and settle transactions across numerous and diverse markets and to evaluate certain securities, to monitor its portfolio and capital, and to generate risk management and other reports that are critical to oversight of the Funds activities. In addition, the Funds rely on information systems to store sensitive information about the Funds, Senator, its affiliates and the investors. Certain of the Funds and Senator's activities will be dependent upon systems operated by third parties, including prime brokers, the administrator, the sub-administrator, market counterparties and other service providers, and Senator may not be in

a position to verify the risks or reliability of such third-party systems. Failures in the systems employed by Senator, prime brokers, the administrator, the sub-administrator, counterparties, exchanges and similar clearance and settlement facilities and other parties could result in mistakes made in the confirmation or settlement of transactions, or in transactions not being properly booked, evaluated or accounted for. Disruptions in the Funds' operations may cause the Funds to suffer, among other things, financial loss, the disruption of its businesses, liability to third parties, regulatory intervention or reputational damage. Any of the foregoing failures or disruptions could have a material adverse effect on the Funds and the investors' investments therein.

Cybersecurity Risk. As part of its business, Senator processes, stores and transmits large amounts of electronic information, including information relating to the transactions of the Funds and personally identifiable information of the investors. Similarly, service providers of Senator, the Funds, especially the administrator, may process, store and transmit such information. Senator has procedures and systems in place that it believes are reasonably designed to protect such information and prevent data loss and security breaches. However, such measures cannot provide absolute security. The techniques used to obtain unauthorized access to data, disable or degrade service, or sabotage systems change frequently and may be difficult to detect for long periods of time. Hardware or software acquired from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Network connected services provided by third parties to Senator may be susceptible to compromise, leading to a breach of Senator's network. Senator's systems or facilities may be susceptible to employee error or malfeasance, government surveillance, or other security threats. On-line services provided by Senator to the investors may also be susceptible to compromise. Breach of Senator's information systems may cause information relating to the transactions of the Funds and personally identifiable information of the investors to be lost or improperly accessed, used or disclosed.

The service providers of Senator and the Funds are subject to the same electronic information security threats as Senator. If a service provider fails to adopt or adhere to adequate data security policies, or in the event of a breach of its networks, information relating to the transactions of the Funds and personally identifiable information of the investors may be lost or improperly accessed, used or disclosed.

The loss or improper access, use or disclosure of Senator's or the Funds' proprietary information may cause Senator or the Funds to suffer, among other things, financial loss, the disruption of its business, liability to third parties, regulatory intervention or reputational damage. Any of the foregoing events could have a material adverse effect on the Funds and the investors' investments therein.

Possible Economic Downturns. The value of the Funds' investments may fluctuate in accordance with changes in the financial condition of the issuers of the portfolio securities, the value of debt and equity securities in general and other factors that affect the markets in which the Funds invest. Economic slowdowns or downturns could lead to financial losses in the Funds' portfolio securities and net assets of the Funds. In addition, many of the Funds' portfolio securities may be similarly subject to the same economic conditions, which could adversely impact the Funds' returns.

The risks inherent in the investments made by the Funds include those associated with investments in debt and equity securities, including the risk that the financial condition of issuers may become

impaired or that the general condition of the debt and equity markets may deteriorate (either of which may cause a decrease in the value of the portfolio securities and thus in the value of the assets of the Funds). Debt and equity securities are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence and perceptions of their issuers change. These investor perceptions are based on various and unpredictable factors, including expectations regarding government, economic, monetary and fiscal policies, inflation and interest rates, economic expansion or contraction, and global or regional political, economic or banking crises. Decreases in the market value of the investments made by the Funds will adversely affect the returns of the Funds.

General Economic and Market Conditions. The success of the Funds' activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of the Funds' investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of the prices and the liquidity of the Funds' investments. Volatility or illiquidity could impair the Funds' profitability or result in losses. The Funds may maintain substantial trading positions that can be adversely affected by the level of volatility in the financial markets.

MiFID II. The package of European Union market infrastructure reforms known as “**MiFID II**” increased regulation of trading platforms and firms providing investment services in the European Union. Among its many market infrastructure reforms, MiFID II brought in: (i) significant changes to pre- and post-trade transparency obligations applicable to financial instruments admitted to trading on EU trading venues (including a new transparency regime for non-equity financial instruments); (ii) an obligation to execute transactions in shares and derivatives on an EU regulated trading venue; and (iii) a new focus on regulation of algorithmic and high frequency trading. These reforms may lead to a reduction in liquidity in certain financial instruments over time, as some of the sources of liquidity exit European markets, and may result in significant increases in transaction costs.

Other regulatory changes, such as an increase in the scope of commodities and commodity derivatives regulation, including position limits and regulatory position management powers could, over time, similarly lead to liquidity reduction and/or an increase in costs and spreads in the European commodities markets.

Although the full impact of these reforms is difficult to assess at present, it is possible that the resulting changes in the available trading liquidity options and increases in transactional costs may have an adverse effect on the ability of Senator to execute the investment program.

Assumption of Catastrophe Risks. The Funds may be subject to the risk of loss arising from direct or indirect exposure to various catastrophic events, including the following: hurricanes, earthquakes and other natural disasters (which may be caused, or enhanced in frequency and severity, by climate change factors); war, terrorism and other armed conflicts; cyberterrorism; major or prolonged power outages or network interruptions; and public health crises, including infectious disease outbreaks, epidemics and pandemics. To the extent that any such event occurs and has a material effect on global financial markets or specific markets or issuers in which the Funds invest (or has a material

negative impact on the operations of Senator or its service providers), the risks of loss can be substantial and could have a material adverse effect on Funds and the investors' investments therein. Furthermore, any such event may also adversely impact one or more individual investor's financial condition, which could result in substantial redemption requests by such investor as a result of their individual liquidity situations and irrespective of Fund performance.

Coronavirus Risks. In December 2019, the virus SARS-CoV-2, which causes the coronavirus disease known as COVID-19, was first identified in the human population. The disease spread around the world, resulting in the temporary closure of many corporate offices, retail stores, and manufacturing facilities across the globe, as well as the implementation of travel restrictions and remote working and "shelter-in-place" or similar policies by numerous companies and national and local governments. These actions caused the disruption of manufacturing supply chains and consumer demand in certain economic sectors, resulting in significant disruptions in local and global economies. Such disruptions continue to be felt, as many countries and U.S. states struggle to contain the virus and its variants. The short-term and long-term impact of COVID-19 on the operations of Senator and the performance of the Funds is difficult to predict. Any potential impact on such operations and performance will depend to a large extent on future developments and actions taken by authorities and other entities to contain COVID-19 and its economic impact. These potential impacts, while uncertain, could adversely affect the performance of the Funds.

Climate Change-Related Risks. The environmental effects of climate change, including rising temperatures, extreme weather, fires, flooding, erratic weather fluctuations, agricultural failures and displacement and destabilization of human populations, could have materially adverse effects on the investments held by the Funds. Senator believes that such risks may increase over time, although the time period over which these consequences might unfold is difficult to predict.

In addition to the physical, economic and geo-political risks associated with climate change, there are transition risks. The willingness of certain governments, industries and businesses, especially those that profit from, or have a reliance on, fossil fuels, to adapt to climate change or transition to sustainable practices may also adversely affect Fund investments.

Regulatory changes and divestment movements tied to concerns about climate change could adversely affect the value of certain industries whose activities or products are seen as accelerating climate change, or ill-positioned in light of the economic and social demands imposed by climate change. In recent years, certain investors have incorporated the business risks of climate change and the adequacy of companies' responses to climate change as part of their investment theses. These shifts in investing priorities may result in adverse effects on the trading price of securities if investors determine that the company has not made sufficient progress on climate change and environmental sustainability matters whether or not climate change proves to be as severe as predicted or preventable.

The values of investments whose performance is linked to assets and revenue streams that are exposed to climate change risk, may readily be affected by both long-term, systemic effects of climate change, as well as severe environmental events whose occurrence is inherently unpredictable.

Sanctions. The Funds' operations are or may become subject to economic sanctions laws and regulations of various jurisdictions. At any given time, whether under applicable law, by contractual commitment or as a voluntary risk management measure, the Funds may be required, or elect, to comply with various sanctions programs, including the Specially Designated Nationals and Blocked Persons List and Sectoral Sanctions programs administered by OFAC, the sanctions regimes administered by subsidiary organs of the United Nations Security Council, the Sanctions Orders of the Cayman Islands (including as extended to the Cayman Islands by Order of the government of the United Kingdom from time to time), and the Restrictive Measures adopted by the European Union. Some sanctions that may apply to the *Funds* prohibit or restrict dealings with particular identified persons. Other potentially applicable sanctions programs broadly prohibit or restrict dealings in certain countries or territories or with individuals and entities located in such countries or territories. In addition to such current sanctions, additional sanctions may be imposed in the future. Such sanctions may be imposed with little or no advance warning or "safe harbor" for compliance and may be ambiguous, including as to the scope of financial activities that regulators may ultimately deem to be covered by the sanctions.

Depending on the scope and duration of a particular sanctions program, compliance by the Funds may result in a material adverse effect on the Funds and investors' investments therein. Senator and the Funds may be subject to heightened or targeted regulatory scrutiny and information requests as a result of such sanctions. In addition, if Senator or the Funds were to violate or be deemed in violation of any such sanction, it could face significant legal and monetary penalties. Sanctions may negatively impact the Funds' ability to effectively implement its investment strategy and have a material adverse impact on the Funds' investments in various ways, including by preventing or inhibiting the Funds from making certain investments, forcing the Funds to divest from investments previously made, and leading to substantial reductions in the revenues, profits and value of the Funds' investments. Finally, sanctions may have broader economic implications, such as influencing the price of certain commodities, which may have adverse effects on inflation and the value of the U.S. dollar, which may adversely affect investment objectives and strategies of the Funds.

In particular, and by way of example, the value of certain Fund's investments in Chinese or Russian companies could be adversely affected by sanctions. With respect to China, relations between China and the United States have recently become strained, resulting, at times, in a degradation in trade relations and the imposition of sanctions. The U.S. Government, through legislation enacted by Congress, Executive Orders issued by the President, and regulations and other actions by various U.S. federal government agencies, including OFAC, the U.S. Department of Commerce, the U.S. Department of State and the U.S. Department of Defense, has imposed or authorized the imposition of sanctions against certain Chinese government officials, government entities, and state-owned and non-state-owned companies, including companies in which the Funds may invest. Currently, a trading ban prohibits transactions by U.S. persons related to the publicly traded securities of certain designated Chinese companies deemed to be supporting the People's Liberation Army of China and requires U.S. persons to divest, over a certain period of time, from securities held as of the date of the trading ban. Such prohibitions have to date been applied to the publicly traded securities of dozens of Chinese companies, including many leading Chinese aerospace, telecommunications and industrial concerns. Additional companies may be designated in the future. The prohibitions also apply to various types of financial instruments, including derivatives, futures, swaps and options,

as well as exchange-traded funds and indices that include one or more of the designated companies as components. The U.S. government has also imposed, and authorized the imposition of, sanctions targeting Russia's financial sector and access to capital markets. (See "Certain Risk Factors — Russia-Ukrainian Conflict" for risks regarding sanctions on Russia.) Such sanctions may adversely affect the investment objectives and strategies of the Funds.

Russia-Ukrainian Conflict. The Russian invasion of Ukraine that commenced on February 24, 2022, has resulted in complex, evolving and systemic economic effects that may influence financial benchmarks key to asset pricing, interest rates and lending availability, as well as financial and physical market liquidity, and the price and availability of essential commodities, in an unpredictable fashion for an uncertain duration. Acute effects to particular commodity and foreign securities markets are possible. Russia and Ukraine are major participants in certain commodities sectors, such as for agricultural (e.g., wheat) and energy (e.g., oil and natural gas) products. Furthermore, this conflict has also resulted in swift multilateral sanctions targeting Russia's financial sector and access to capital markets with designations of dozens of individuals and entities, including the Russian Central Bank, several large publicly-traded Russian banks and companies, Russia's sovereign wealth funds, and Russian oligarchs and other members of the Russian elite, including Russian Federation President Vladimir Putin. The sanctions imposed are complex and the prohibitions apply to various types of debt and equity transactions involving sanctioned persons, including bonds, loans, loan guarantees, extensions of credit, letters of credit, stocks, share issuances, and depository receipts, among others. For example, U.S. persons are prohibited from transacting, financing or otherwise dealing in certain new debt and equity of certain financial institutions and companies critical to the Russian economy. In addition, certain imports, exports, the transfer of US dollar banknotes to Russia, and new investments involving the Russian energy sector are prohibited. (See also "Certain Risk Factors — Sanctions".)

The unpredictable and evolving economic effects resulting from the Russia-Ukrainian conflict and the regulations, orders, and sanctions adopted by governments in response to this conflict may affect the value of the Securities or the Funds' ability to acquire or dispose of such Securities or investments in an efficient manner. These factors may have negative consequences for the valuation of the Funds' portfolios that Senator may be unable to anticipate or hedge against. (See "Certain Risk Factors — Assumption of Catastrophe Risks".)

Alternative Data. Senator may use alternative data in its investment process. Alternative data includes datasets that have been culled from a variety of sources, such as internet usage, payment records, financial transactions, weather and other physical phenomena sensors, applications and devices (such as smartphones) that generate location and mobility data, data gathered by satellites, and government and other public records databases. These data are sometimes referred to as "big data" or "alternative data". Senator applies these alternative data to better anticipate micro- and macro-economic trends and otherwise to develop or improve trading or investment themes.

The analysis and interpretation of alternative data involves a high degree of uncertainty and may entail significant expense, including technological efforts, that are expected to be borne—in whole or in part—by the Funds. No assurance can be given that Senator will be successful in utilizing alternative data in its investment process.

Moreover, there has been increased scrutiny from a variety of regulators regarding the use of alternative data in this manner, and its use or misuse under current or future laws and regulations could create liability for Senator and the Funds in numerous jurisdictions. Senator cannot predict what, if any, regulatory or other actions may be asserted with regard to alternative data, but any adverse inquiries or formal actions could cause reputational, financial, or other harm to Senator or to the Funds. Conversely, any future limitations on the use of alternative data could have a material adverse impact on the performance of the Funds.

Banking Relationships. Senator and the Funds will hold cash and other assets in accounts with one or more banks, custodians or depository or credit institutions (collectively, “**Banking Institutions**”), which may include both U.S. and non-U.S. Banking Institutions from time to time. The Funds may also enter into credit facilities and have other relationships with Banking Institutions as contemplated elsewhere in the Funds offering documents. The distress, impairment, or failure of, or a lack of investor or customer confidence in, any of such Banking Institutions may limit the ability of Senator or the Funds to access, transfer or otherwise deal with its assets, draw upon a credit facility, or rely upon any of such other relationships, in a timely manner or at all, and may result in other market volatility and disruption, including by affecting other Banking Institutions. All of the foregoing could have a negative impact on the Funds. For example, in such a scenario, the Funds could be forced to delay or forgo an investment or a distribution, including in connection with a withdrawal or redemption, or generate cash to fund such investment or distribution from other sources (including by disposing of other investments or making other borrowings) in a manner that it would not have otherwise considered desirable. Furthermore, in the event of the failure of a Banking Institution, access to a depository account with that institution could be restricted and U.S. Federal Deposit Insurance Corporation (“**FDIC**”) protection may not be available for balances in excess of amounts insured by the FDIC (and similar considerations may apply to Banking Institutions in other jurisdictions not subject to FDIC protection). In such a case, Senator or the Funds may not recover all or a portion of such excess uninsured amounts and could instead have an unsecured or other type of impaired claim against the Banking Institution (alongside other unsecured or impaired creditors). Senator does not expect to be in a position to reliably identify in advance all potential solvency or stress concerns with respect to its or the Funds' banking relationships, and there can be no assurance that Senator or the Funds will be able to easily establish alternative relationships with and transfer assets to other Banking Institutions in the event a Banking Institution comes under stress or fails.

Governmental Interventions. Extreme volatility and illiquidity in markets has in the past led to, and may in the future lead to, extensive governmental interventions in equity, credit and currency markets. Generally, such interventions are intended to reduce volatility and precipitous drops in value. In certain cases, governments have intervened on an “emergency” basis, suddenly and substantially eliminating market participants’ ability to continue to implement certain strategies or manage the risk of their outstanding positions. In addition, these interventions have typically been unclear in scope and application, resulting in uncertainty. It is impossible to predict when these restrictions will be imposed, what the interim or permanent restrictions will be and/or the effect of such restrictions on the Funds’ strategies.

Legal and Regulatory Environment for Private Investment Funds and their Managers. The legal, tax and regulatory environment worldwide for private investment funds (such as the Funds) and their managers is evolving, and changes in the regulation of private investment funds, their

managers, and their trading and investing activities may have a material adverse effect on the ability of the Funds to pursue its investment program and the value of investments held by the Funds. There has been an increase in scrutiny of the alternative investment industry by governmental agencies and self-regulatory organizations. New laws and regulations or actions taken by regulators that restrict the ability of the Funds to pursue its investment program or employ brokers and other counterparties could have a material adverse effect on the Funds and the investors' investments therein. In addition, Senator may, in its sole discretion, cause the Funds to be subject to certain laws and regulations if it believes that an investment or business activity is in the Funds' interest, even if such laws and regulations may have a detrimental effect on one or more investors. Such administrative burdens may divert Senator's time, attention and resources from portfolio management activities to responding to inquiries, examinations and enforcement actions (or threats thereof). Regulatory inquiries often are confidential in nature, may involve a review of an individual's or a firm's activities or may involve studies of the industry or industry practices, as well as the practices of a particular institution.

Risks Relating to Regulatory Changes

Proposed SEC Rules Have Created Uncertainty. On February 9, 2022, the SEC proposed a series of new rules under the Advisers Act applicable to private fund managers ("the Proposed Rules"). The Proposed Rules seek to, among other things: (i) require specified and standardized quarterly disclosures regarding performance, fees and expenses; (ii) prohibit private fund managers from engaging in certain activities; (iii) require disclosure of, and in some cases limit, preferential treatment provided to certain investors; (iv) require that all private funds be subject to annual audit; (v) add a written documentation requirement for annual reviews; and (vi) create requirements to keep records of compliance with the Proposed Rules. Potential consequences arising from the Proposed Rules could include: (a) increased risk of frivolous lawsuits against Senator and its affiliates; (b) increased costs and expenses from compliance and monitoring efforts; (c) significant increases in liability insurance costs; and (d) increased costs for legal, compliance and accounting providers. The time and expenses necessary to comply with these proposed regulations could divert resources away from advancing the Funds' investment strategy.

Proposed Short Activity Reporting. The SEC proposed a new rule and form on February 25, 2022 related to short position and short activity reporting by institutional investment managers. Under the proposed short selling rule, investment managers that meet or exceed reporting thresholds set by the proposed rule would be required to report, on a monthly basis using proposed form "SHO", specified short position data and short activity data for equity securities. If this rule were to be enacted, the Funds would likely be subject to its reporting requirements. These reports will be confidential, and the data collected will be anonymized and aggregated before being published. Although publishing aggregated short position data could help mitigate the risk that investment behavior will be attributed to a single manager, it is not foolproof, and the effectiveness will depend on what data is ultimately published and with what frequency. This proposed rule and form would create an entirely new, complicated and potentially costly framework for managers and would likely result in increased compliance and monitoring costs. Moreover, there is a risk of inadvertent disclosure of this sensitive data, as a consolidated database of manager-level short positions and detailed daily trading activity would likely be an attractive target for malicious actors.

Proposed Amendments to Form PF. The SEC proposed amendments to Form PF on January 26, 2022 (“Proposed Amendments”) that would greatly expand the type, amount and frequency of information the SEC collects from certain private fund advisers under Form PF. Currently, Senator is required to file Form PF, which already provides significant information to the SEC and takes time and attention to complete. If the Proposed Amendments were to be enacted, Senator would need to file additional Form PF reports requiring significant quantitative and qualitative analysis within one business day of the occurrence of certain key events. This would represent a significant departure from the current Form PF reporting requirements. Consequently, Senator would have to devote significant resources and attention to complying with this immediate, daily reporting requirement. The Proposed Amendments would likely impose significant operational burdens on Senator as it would have to build or modify systems to gather the information required by the new proposed reporting regime. This could result in increased compliance and monitoring costs and would divert resources away from advancing the Funds' profitability.

Implementation Period. It is uncertain as to which, if any, of the above-mentioned Proposed Rules and Amendments will actually be enacted by the SEC. Furthermore, there is the possibility that the SEC may revise or supplement the Proposed Rules and Amendments with additional requirements. In any case, Senator would have one year to comply with any newly-enacted SEC rules.

Systemic Risk. Systemic risk is the risk of broad financial system stress or collapse triggered by the default of one or more financial institutions, which results in a series of defaults by other interdependent financial institutions. Financial intermediaries, such as clearing houses, banks, securities firms and exchanges with which the Funds interact are all subject to systemic risk. A systemic failure could have material adverse consequences on the Funds and on the markets for the securities in which the Funds seeks to invest.

Competition. There is currently, and will likely be, competition for investment opportunities by investment vehicles and others with investment objectives and strategies identical or similar to the Funds’ investment objective and strategies. Increasing competition may limit the Funds’ ability to take advantage of trading opportunities in rapidly changing markets or ability to access investment opportunities believed to be profitable. Certain of the Funds’ competitors may have longer track records, greater financial and other resources and may have better access to suitable investment opportunities. There can be no assurance that the Funds will be able to locate and complete suitable investments that satisfy the Funds’ objectives or that leverage will be available with acceptable counterparties on acceptable terms. Whether or not suitable investment opportunities are available to the Funds, the Funds will bear management, performance and other fees and expenses further described in each Funds’ offering documents.

Diversification; Concentration of Investment. The general partners and/or Senator has broad discretion over the Funds’ investment programs and may choose to invest a substantial portion of the Funds’ assets in a limited number of issuers, countries, sectors or instruments. In general, the capital of the Funds will be invested in a manner that will enhance diversification opportunities among distressed debt, value equities and event equities. There can be no assurance that reasonable diversification will be achieved. The Funds may hold a few relatively large investments in relation to its capital. Furthermore, adverse movements in a particular economy, sector or instrument type in which the Funds is concentrated could negatively affect performance to a considerably greater extent than if the Funds’ investments were not so concentrated. In addition, concentration of the Funds’ investments could also result in less correlation between the Funds’ performance and the

performance of the markets on which securities held by the Funds are traded. Consequently, a loss in any single such investment could result in a proportionately higher reduction in the Funds' capital than if such capital had been spread among a wider number of investments. An investment in the Funds does not constitute a diversified investment program.

Investment and Due Diligence Process. Before making investments, Senator will conduct such due diligence as it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence, Senator may be required to evaluate important and complex business, financial, tax, accounting and legal issues. In doing so, Senator will rely on the resources reasonably available to it, which, in some circumstances, whether or not known to Senator at the time, may not be sufficient, accurate, complete or reliable. Due diligence may not reveal or highlight matters that could have a material adverse effect on the value of an investment. In some cases, investment analyses or decisions may be undertaken or made on an expedited basis in order for the Funds to take advantage of a compelling investment opportunity. In such a case, Senator may not have access to the detailed information necessary for a full evaluation of the investment opportunity.

In addition, Senator may rely upon independent consultants in connection with its evaluation of certain proposed investments. There can be no assurance that these consultants will accurately evaluate such investments.

In conducting its investment analyses or making decisions, Senator may rely upon projections developed by Senator or a portfolio company concerning a portfolio company's future performance, outcome and cash flow. Projections are inherently subject to uncertainty and factors beyond the control of Senator and the portfolio company. The inaccuracy of certain assumptions, the failure to satisfy certain financial requirements and the occurrence of other unforeseen events could impair the ability of a portfolio company to realize projected values, outcomes and cash-flow.

Any fraud or other deceptive practices committed by management of portfolio companies in which the Funds may invest can be expected to undermine the ability of Senator to conduct effective due diligence on, or successfully exit, such companies. In addition, financial fraud may contribute to overall market volatility, which could negatively impact the Funds.

Portfolio Liquidity. With respect to the Funds other than the SIS Fund, Senator generally intends to make investments in liquid securities. However, all of the Funds may invest at least a portion of their assets in securities for which there is no public market and for which valuations may be difficult. In addition, because some of the Funds' investments may be held for a substantial period of time, the Funds face the risks of changes in long-term interest rates and adverse changes in the relevant markets. These investments may be more difficult to dispose of and, even if the investments of the Funds are successful, they may not produce a realized return to the investors for a period of several years.

In particular, as part of the Funds' investment strategies, the Funds may invest in companies with small or mid-size market capitalizations, and/or in investments in illiquid and other long term securities such as private placement securities, restricted securities (including by reason of the Funds being deemed to be an affiliate of the issuer of such securities) or securities with limited, if any, trading volume. Generally, the Funds will be able to sell such securities without restriction to

other large institutional investors but may be restrained in its ability to sell them to other investors. Such securities do, however, carry the risk that a buyer may not be found for such securities. Furthermore, the Funds' investments may be subject to certain transfer restrictions that may also contribute to illiquidity. Additionally, if restricted securities are sold to the public, the Funds may be deemed to be an underwriter or possibly a controlling person with respect thereto for the purposes of the Securities Act or other countries' securities laws and may be subject to liability as such under the Securities Act or other countries' laws. For the foregoing reasons, no assurance can be given that, if any of the Funds is determined to dispose of a particular investment, it could dispose of such investment at the previously prevailing market price.

In addition, the lack of an established, liquid secondary market for certain of the Funds' investments may have an adverse effect on the market value of the Funds' investments and on the ability to dispose of them. Furthermore, it may also not always be possible for the Funds to execute a buy or sell order at the desired price or to liquidate an open position, either due to market conditions on exchanges or due to the operation of daily price fluctuation limits or "circuit breakers", which limit, during a single trading day, the ability to execute trades at prices beyond the daily limit. In particular, derivative instruments, especially when traded in large amounts, may not be liquid in all circumstances, so that in volatile markets the Funds may not be able to close out a position without incurring a loss. In addition, daily limits on price fluctuations and speculative positions limits on exchanges on which the Funds may conduct its transactions in certain derivative instruments may prevent prompt liquidation of positions, potentially subjecting the Funds to greater losses.

Restricted Securities. To various extents, the Funds are expected to hold investments in restricted securities from time to time. Restricted securities cannot be sold to the public without registration under the Securities Act. Unless registered for sale, restricted securities can be sold only in privately negotiated transactions or pursuant to an exemption from registration (*e.g.*, under Rule 144A of the Securities Act). Although these securities may be resold in privately negotiated transactions, because there is often little liquidity for these securities, they may be difficult and take a substantial amount of time to sell, and the prices realized from these sales could be less than those originally paid by the Funds. Restricted securities may involve a high degree of business and financial risk which may result in substantial losses.

Risk Arbitrage Transactions. The Funds may purchase securities at prices slightly below the anticipated value of the cash, securities or other consideration to be paid or exchanged for such securities, in a proposed merger, exchange offer, tender offer, spin-off or other similar transaction. Such purchase price may be substantially in excess of the market price of the securities prior to the announcement of the merger, exchange offer, tender offer, spin-off or other similar transaction. If the proposed merger, exchange offer, tender offer, spin-off or other similar transaction later appears likely not to be consummated, is in fact not consummated or is delayed, the market price of the securities purchased by the Funds may decline sharply and result in losses to the Funds. In certain transactions, the Funds may not be "hedged" against market fluctuations. This can result in losses, even if the proposed transaction is consummated. In addition, a security to be issued in a merger or exchange offer may be sold short by the Funds in the expectation that the short position will be covered by delivery of such security when issued. If the merger or exchange offer is not consummated, the Funds may be forced to cover its short position at a higher price than its short sale price, resulting in a loss.

The Funds may also purchase securities above the offer price for a security which is the subject of a takeover bid if Senator determines that the offer price is likely to be increased, either by the original bidder or by another party. However, if ultimately no transaction is consummated, it is likely that a substantial loss will result.

The Funds may sell the securities of a target company short if Senator determines that it is probable that the proposed transaction will not be consummated. If the transaction (or another transaction, such as a “defensive” merger or a “friendly” tender offer) is consummated and the price of the target company’s securities increases, the Funds may be forced to cover its short position at a higher price than the short sale price, resulting in a loss.

The consummation of mergers, exchange offers, tender offers, spin-offs and other similar transactions can be prevented or delayed by a variety of factors. An exchange offer or a tender offer by one company for the securities of another may be opposed by the management or shareholders of the target company on the grounds that the consideration offered is inadequate or for other reasons, and this opposition may result in regulatory action and/or litigation which delays or prevents consummation of the transaction. Even if the transaction has been agreed upon by the management of the companies involved, its consummation may be prevented by the intervention of a government regulatory agency, litigation brought by a shareholder or, in the case of a merger, the failure to receive the necessary shareholder approvals, market conditions resulting in material changes in securities prices, and other circumstances, including, but not limited to, the failure to meet certain conditions customarily specified in acquisition agreements. Even if the defensive activities of a target company or the actions of regulatory authorities fail to defeat a transaction, they may result in significant delays, during which time the Funds’ capital will be committed to the transaction and interest charges on any funds borrowed to finance the Funds’ activities in connection with the transaction may be incurred.

Offerors in tender or exchange offers customarily reserve the right to cancel such offers for many reasons, including an insufficient response from shareholders of the target company.

An exchange offer or a tender offer will often be made for less than all of the outstanding securities of an issuer, with the provision that, if a greater number is tendered, securities will be accepted on a *pro rata* basis. Thus, after the completion of a tender offer, and at a time when the market price of the securities has declined below the Funds’ cost, the Funds may have returned to it, and be forced to sell at a loss, a portion of the securities it tendered.

Financial and Market Risks of Bankrupt or Special Situation Companies. The Funds will invest in securities of issuers in weak financial condition, experiencing poor operating results, having substantial financial needs or negative net worth, facing special competitive or product obsolescence problems, or that are involved in bankruptcy or reorganization proceedings. Investments of this type involve substantial financial business risks that can result in substantial or total losses. Among the problems involved in investments in troubled issuers is the fact that it frequently may be difficult to obtain information regarding conditions of such issuers. The market prices of such securities are also subject to abrupt and erratic market movements and above average price volatility, and the spread between the bid and asked prices of such securities may be greater than normally expected. It may take a number of years for the market price of such securities to reflect their intrinsic value. It is anticipated that some of the portfolio securities of the Funds may

not be widely traded, and that the Funds' position in such securities may be substantial in relation to the market for the securities.

These types of securities require active monitoring and may, at times, require participation in bankruptcy or reorganization proceedings by Senator on behalf of the Funds. To the extent that Senator becomes involved in such proceedings, the Funds may have a more active participation in the affairs of the issuer than that assumed generally by an investor.

The Funds may also make certain speculative purchases of securities. Such purchases may include securities which Senator believes to be undervalued, or where a significant position in the securities of the particular company has been taken by one or more other persons or where other companies in the same or related industry have been the subject of acquisition attempts. If the Funds purchase securities in anticipation of an acquisition attempt or reorganization, and an acquisition attempt or reorganization does not in fact occur, the Funds may sell the securities at a material loss. Further, when securities are purchased in anticipation of an acquisition attempt or reorganization, a substantial period of time may elapse between the Funds' purchase of the securities and the acquisition attempt or reorganization. During this period, a portion of the Funds' assets would be committed to the securities purchased, and the Funds may finance such purchases with borrowed funds on which it will have to pay interest.

In liquidations and other forms of corporate reorganizations, there is a risk that the reorganization will be unsuccessful, will be delayed or will result in a distribution of cash or a new security with a value less than the Funds' purchase price of the underlying security.

Senator attempts to assess all of the foregoing risk factors, and others, in determining the nature and extent of the investment the Funds will make in specific securities. However, many risks, such as the outcome of governmental approvals or the outcome of pending or threatened litigation, cannot be quantified.

Activist Investing. The success of the Funds' activist investment strategy depends upon, among other things: (i) Senator's ability to properly identify portfolio companies whose securities prices can be improved through corporate and/or strategic action; (ii) the Funds' ability to acquire sufficient securities of such portfolio companies at a sufficiently attractive price; (iii) the Funds' ability to avoid triggering anti-takeover and regulatory obstacles while aggregating its position; (iv) the willingness of the management of such portfolio companies and other security holders to respond positively to Senator's proposals; and (v) favorable movements in the market price of any such portfolio company's securities in response to any actions taken by such portfolio company. There can be no assurance that any of the foregoing will occur.

Corporate governance strategies may prove ineffective for a variety of reasons, including: (i) opposition of the management or investors of the subject company, which may result in litigation and may erode, rather than increase, the value of the subject company; (ii) intervention of a governmental agency; (iii) efforts by the subject company to pursue a "defensive" strategy, including a merger with, or a friendly tender offer by, a company other than the offeror; (iv) market conditions resulting in material changes in the prices of securities; (v) the presence of corporate governance mechanisms such as staggered boards, poison pills and classes of stock with increased voting rights; and (vi) the necessity for compliance with applicable securities laws. In addition,

opponents of a proposed corporate governance change may seek to involve regulatory agencies in investigating the transaction or the Funds' and such regulatory agencies may independently investigate the participants in a transaction, including the Funds, as to compliance with securities or other law. Furthermore, successful execution of a corporate governance strategy may depend on the active cooperation of investors and others with an interest in the subject company. Some investors may have interests which diverge significantly from those of the Funds, and some of those parties may be indifferent to the proposed changes. Moreover, securities that Senator believes are fundamentally undervalued or incorrectly valued may not ultimately be valued in the capital markets at prices and/or within the timeframe Senator anticipates, even if a corporate governance strategy is successfully implemented. Even if the prices for a portfolio company's securities have increased, no guarantee can be made that there will be sufficient liquidity in the markets to allow the Funds to dispose of all or any of their securities therein or to realize any increase in the price of such securities.

Distressed Securities. The Funds may invest in securities of issuers in weak financial condition, including issuers in bankruptcy or reorganization. It may be difficult to obtain information as to the true condition of such issuers. Such investments may be adversely affected by laws relating to, among other things, fraudulent transfers and other voidable transfers or payments, lender liability, and a bankruptcy court's power to disallow, reduce, subordinate, or disenfranchise particular claims. It may take a number of years for the market price of such securities to reflect their intrinsic value. In liquidation and other forms of corporate reorganization, there is the risk that the reorganization will be unsuccessful, delayed, or result in a distribution of less value than the original purchase price of the security in respect of which such distribution was made.

Investments in Loans. The Funds may invest in financings with borrowers that may have difficulty obtaining financing from other sources. While Senator believes that this may provide an attractive opportunity for the Funds to generate profits, these borrowers may have difficulty repaying their loans to the Funds upon maturity. A borrower's ability to repay its loan may be adversely affected by numerous factors, including, without limitation, the failure to meet its business plan, a downturn in its industry or negative economic conditions. A deterioration in a borrower's financial condition and prospects may be accompanied by a deterioration in the value of any collateral and a reduction in the likelihood of the Funds capitalizing on any guarantees they may have obtained from the borrower's management or other parties.

Below Investment Grade Securities. The Funds may invest in fixed-income instruments which are or are deemed to be the equivalent in terms of quality to securities rated below investment grade by Moody's Investors Service, Inc. and Standard & Poor's Corporation and accordingly involve great risk. Such securities are regarded as predominantly speculative with respect to the issuer's capacity to pay interest and repay principal in accordance with the terms of the obligations and involve major risk to adverse conditions. These securities offer higher returns than bonds with higher ratings as compensation for holding an obligation of an issuer perceived to be less creditworthy. While all security investments have some degree of risk, these types of securities may be subject to greater market fluctuations and risk of loss of income and principal than are investments in lower yielding fixed-income securities with higher ratings.

Investments in Debt Obligations Are Subject to Credit and Interest Rate Risks. Debt instruments are subject to credit and interest rate risks. "Credit risk" refers to the likelihood that an

issuer will default in the payment of principal and/or interest on an instrument. Financial strength and solvency of an issuer are the primary factors influencing credit risk. In addition, lack or inadequacy of collateral or credit enhancement for a debt instrument may affect its credit risk. Credit risk may change over the life of an instrument, and debt obligations, which are rated by rating agencies, are often reviewed and may be subject to downgrade. “Interest rate risk” refers to the risks associated with market changes in interest rates. Interest rate changes may affect the value of a debt instrument indirectly (especially in the case of fixed rate debt securities) and directly (especially in the case of debt instruments whose rates are adjustable). In general, rising interest rates will negatively impact the price of a fixed rate debt instrument and falling interest rates will have a positive effect on price. Adjustable rate instruments also react to interest rate changes in a similar manner although generally to a lesser degree (depending, however, on the characteristics of the reset terms, including the index chosen, frequency of reset and reset caps or floors, among other factors). Interest rate sensitivity is generally more pronounced and less predictable in instruments with uncertain payment or prepayment schedules. In addition, interest rate increases generally will increase the interest carrying costs to the Funds of borrowed securities and leveraged investments.

Market Making by Dealers. The value of the Funds fixed-income investments will be affected by general fixed income market conditions, such as the volatility and liquidity of the fixed income market, which are affected by the ability of dealers to “make a market” in fixed-income investments. In recent years, the market for bonds has significantly increased while dealer inventories have significantly decreased, relative to market size. This reduction in dealer inventories may be attributable to regulatory changes, such as capital requirements, and is expected to continue. As dealers’ inventories decrease, so does their ability to make a market (and, therefore, create liquidity) in the fixed income market. Especially during periods of rising interest rates, this could result in greater volatility and illiquidity in the fixed income market, which could impair the Funds profitability or result in losses.

Interest Rate Fluctuations; Leverage. The prices of portfolio investments made by the Funds likely will tend to be sensitive to interest rate fluctuations. Unexpected fluctuations in interest rates could cause the corresponding prices of the long and short portions of a position to move in directions which were not initially anticipated. To the extent that interest rate assumptions underlie the hedge ratios implemented by the Funds in hedging a particular position, fluctuations in interest rates could invalidate those underlying assumptions and expose the Funds to losses.

In general, Senator seeks to achieve its investment objective by investing in opportunities that offer attractive returns on an un-levered basis. However, the Funds may leverage its capital when Senator believes that the use of leverage may enable the Funds to capitalize on opportunities to achieve a higher rate of return, as well as to meet redemptions which would otherwise result in the premature liquidation of investments. While such borrowing will increase the investment opportunities available to the Funds, it will also increase the risk of loss on such investments. The amount of borrowings which the Funds may have outstanding at any time may be large in relation to its capital, but the Funds’ aggregate leverage, expressed as (gross long investments + gross short investments)/equity, will generally not at any time exceed 250% of the Funds’ aggregate net assets. The Funds, however, may invest in securities of or make loans to entities which are themselves highly leveraged, thus increasing the Funds’ exposure to leverage related risk. In addition, the level of interest rates generally, and the rates at which the Funds can borrow in particular, is an expense of the Funds, and therefore affects the operating results of the Funds.

The banks and brokers that provide financing to the Funds may apply a variety of margin, financing and collateral valuation policies. Changes in these terms at any time may result in a loss of financing, margin calls and forced liquidations of positions or assets at less than advantageous prices.

Fluctuations in the market value of the Funds' portfolio will have a significant effect in relation to the Funds' capital. The risk of loss and the possibility of gains are therefore increased. The amount of borrowings which the Funds may have outstanding at any time may be large in relation to its capital. In addition, interest rate increases generally will increase the interest carrying costs to the Funds of borrowed securities and leveraged investments, and therefore will affect the operating results of the Funds.

Non-U.S. Exchanges, Markets and Currencies. Senator may engage in trading on non-U.S. exchanges and markets. Trading on such exchanges and markets involves certain risks not applicable to trading on U.S. exchanges and is frequently less regulated. For example, certain of such exchanges may not provide the same assurances of the integrity (financial and otherwise) of the marketplace and its participants as do U.S. exchanges. There also may be less regulatory oversight and supervision by the exchanges themselves over transactions and participants in such transactions on such exchanges. Some non-U.S. exchanges, in contrast to U.S. exchanges in general, are "principals' markets" in which performance is the responsibility only of the individual member with whom the trader has dealt and is not the responsibility of an exchange or clearing association. Furthermore, trading on certain non-U.S. exchanges may be conducted in such a manner that all participants are not afforded an equal opportunity to execute certain trades and may also be subject to a variety of political influences and the possibility of direct government intervention. Certain markets and exchanges in non-U.S. countries have different clearance and settlement procedures than U.S. markets for trades and transactions and in certain markets, there have been times when settlement procedures have been unable to keep pace with the volume of transactions, thereby making it difficult to conduct such transactions. Any difficulty with clearance or settlement procedures may expose the Funds to losses. Trading on non-U.S. markets is also subject to the risk of fluctuations in the exchange rate between the local currency and the U.S. dollar and to the possibility of exchange controls. Trading on non-U.S. securities markets or exchanges may also result in the Funds incurring taxes in the local jurisdictions.

Trading in Securities of Non-U.S. Issuers. The Funds may trade in securities of non-U.S. issuers traded outside of the United States. In addition to currency exchange risks, such trading requires consideration of certain other risks not typically associated with investing in U.S. securities. There may be less publicly available information regarding issuers located in certain countries. In addition, certain countries may have no laws or regulations prohibiting insider trading. Furthermore, if the accounting standards in a non-U.S. country do not require as much detail as U.S. standards, it may be harder for Senator to analyze the financial condition of an issuer located in such country. The economies of certain countries often do not compare favorably with the economy of the United States with respect to such issues as growth of gross national product, reinvestment of capital, resources and balance of payments position. Certain of such economies may rely heavily on particular industries or foreign capital and are more vulnerable to diplomatic developments, the imposition of economic sanctions against a particular country or countries, changes in international trading patterns, trade barriers and other protectionist or retaliatory measures. Investments in non-U.S. markets also may be adversely affected by governmental actions such as the imposition of capital controls, nationalization of companies or industries, expropriation of assets, the imposition

of punitive taxes or the imposition of withholding or other taxes on dividends, interest, capital gains, other income or gross sale or disposition proceeds of the Funds. In addition, the governments of certain countries may prohibit or impose substantial restrictions on foreign investing in their capital markets or in certain industries. Any such action could severely affect security prices, impair Senator's abilities to purchase or sell non-U.S. securities or otherwise adversely affect the Funds. Other non-U.S. market risks include difficulties in pricing securities, difficulties in enforcing favorable legal judgments in non-U.S. courts, and political and social instability. Legal remedies available to investors in certain countries may be less extensive than those available to investors in the United States or other countries. With respect to certain countries, there is a possibility of expropriation, confiscatory taxation, imposition of withholding or other taxes on dividends, interest, capital gains, other income or gross sale or disposition proceeds. In addition, an issuer of securities may be domiciled in a country other than the country in whose currency the instrument is denominated. The values and relative yields of investments in the securities markets of different countries, and their associated risks, are expected to change independently of each other.

Non-U.S. Currencies. Although most of the Funds' investments will be U.S. dollar denominated, Funds' investments that are denominated in a non-U.S. currency are subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation, and political developments. Senator intends, but is under no obligation, to employ hedging techniques to minimize these risks, but there can be no assurance that such strategies will be effective.

Derivative Instruments. Certain swaps, options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, credit risk, legal risk and operations risk. The regulatory and tax environment for derivative instruments in which the Funds may participate is evolving, and changes in the regulation or taxation of such instruments may have a material adverse effect on the Funds.

Regulation in the Derivatives Industry

There are many rules related to derivatives that may negatively impact the Funds, such as requirements related to recordkeeping, reporting, portfolio reconciliation, central clearing, minimum margin for uncleared over-the-counter ("OTC") instruments and mandatory trading on electronic facilities, and other transaction-level obligations. Parties that act as dealers in swaps, are also subject to extensive business conduct standards, additional "know your counterparty" obligations, documentation standards and capital requirements. All of these requirements add costs to the legal, operational and compliance obligations of Senator and the Funds, and increase the amount of time that Senator spends on non-investment-related activities. Requirements such as these also raise the costs of entering into derivative transactions, and these increased costs will likely be passed on to the Funds.

These rules are operationally and technologically burdensome for Senator and the Funds. These compliance obligations require employee training and use of technology, and there are operational risks borne by the Funds in implementing procedures to comply with many of these additional obligations.

These regulations may also result in the Funds forgoing the use of certain trading counterparties (such as broker-dealers and futures commission merchants (“FCMs”)), as the use of other parties may be more efficient for the Funds from a regulatory perspective. However, this could limit the Funds trading activities, create losses, preclude the Funds from engaging in certain transactions or prevent the Funds from trading at optimal rates and terms.

Many of these requirements were implemented under legislation intended to reform the U.S. financial regulatory system, the EU Regulation on OTC Derivatives, Central Counterparties and Trade Repositories (known as the European Market Infrastructure Regulation, or “EMIR”) and similar regulations globally. In the United States, the regulatory responsibility for derivatives is divided between the SEC and the CFTC, a distinction that does not exist in any other jurisdiction. The SEC has regulatory authority over “security-based swaps” and the CFTC has regulatory authority over “swaps”. EMIR is being implemented in phases through the adoption of delegated acts by the European Commission. As a result of the SEC and CFTC bifurcation and the different pace at which the SEC, the CFTC, the European Commission and other international regulators have promulgated necessary regulations, different transactions are subject to different levels of regulation. Though many rules and regulations have been finalized, there are others, particularly SEC regulations with respect to security-based swaps, that are still in the proposal stage or are expected to be introduced in the future.

The following describes derivatives regulations that may have the most significant impact on the Funds:

Reporting

Most swap transactions have become subject to anonymous “real time reporting” requirements, meaning that information relating to transactions entered into by the Funds will become visible to the market in ways that may impair the Funds’ ability to enter into additional transactions at comparable prices or could enable competitors to “front run” or replicate the Funds’ strategies.

Central Clearing

In order to mitigate counterparty risk and systemic risk in general, various U.S. and international regulatory initiatives, including EMIR, are underway to require certain derivatives to be cleared through central clearinghouses. In the United States, clearing mandates affect certain interest rate and credit default swaps. The CFTC and the SEC may introduce clearing requirements for additional classes of derivatives in the future. EMIR also requires OTC derivatives contracts meeting specific criteria to be cleared through central counterparties.

While such clearing requirements may be beneficial for the Funds in many respects (for instance, they may reduce the counterparty risk to the dealers to which the Funds would be exposed under non-cleared derivatives), the Funds could be exposed to new risks, such as the risk that an increasing percentage of derivatives will be required to be standardized and/or cleared through central clearinghouses, and, as a result, the Funds may not be able to hedge its risks or express an investment view as well as it would have been able to had it used customizable derivatives available in the over-the-counter markets. The Funds may have to split its derivatives portfolio between centrally cleared and over-the-counter

derivatives, which may result in operational inefficiencies and an inability to offset risk between centrally cleared and over-the counter positions, and which could lead to increased costs.

Another risk is that the Funds may be subject to more onerous and more frequent (daily or even intraday) margin calls from both the Funds' FCM and the clearinghouse. Virtually all margin models utilized by the clearinghouses are dynamic, meaning that unlike traditional bilateral swap contracts where the amount of initial margin posted on the contract is typically static throughout of the life of the contract, the amount of the initial margin that is required to be posted in respect of a cleared contract will fluctuate, sometimes significantly, throughout the life of the contract. The dynamic nature of the margin models utilized by the clearinghouses and the fact that the margin models might be changed at any time may subject the Funds to an unexpected increase in collateral obligations by clearinghouses during a volatile market environment, which could have a detrimental effect on the Funds. Clearinghouses also limit collateral that they will accept to cash, U.S. treasuries and, in some cases, other highly rated sovereign and private debt instruments, which may require the Funds to borrow eligible securities from a dealer to meet margin calls and raise the costs of cleared trades to the Funds. In addition, clearinghouses may not allow the Funds to portfolio-margin its positions, which may increase the Funds' costs.

Although standardized clearing for derivatives is intended to reduce counterparty risk (for instance, it may reduce the counterparty risk to the dealers to which the Funds would have been exposed under OTC derivatives), it does not eliminate risk. Derivatives clearing may also lead to concentration of counterparty risk, namely in the clearinghouse and the Funds' FCM, subjecting the Funds to the risk that the assets of the FCM are insufficient to satisfy all of the FCM's payment obligations, leading to a payment default. The failure of a clearinghouse or FCM could have a significant impact on the financial system. Even if a clearinghouse does not fail, large losses could force significant capital calls on FCMs during a financial crisis, which could lead FCMs to default and thus worsen the crisis.

Swap Execution Facilities

In addition to the central clearing requirement, certain swap transactions are required to trade on regulated electronic platforms such as swap execution facilities ("SEFs"), which require the Funds to subject itself to regulation by these venues and subject the Funds to the jurisdiction of the CFTC. CFTC rules governing the operations of SEFs continue to evolve; the SEC has yet to finalize rules related to security-based SEFs.

The EU regulatory framework governing derivatives is set not only by EMIR but also by MiFID II. Among other things, MiFID II requires transactions in derivatives to be executed on regulated trading venues.

It is not clear whether these trading venues will benefit or impede liquidity, or how they will fare in times of market stress. Trading on these trading venues may increase the pricing discrepancy between assets and their hedges as products may not be able to be executed simultaneously, therefore increasing basis risk. It may also become relatively expensive for the Funds to obtain tailored swap products to hedge particular risks in its portfolio due to higher collateral requirements on bilateral transactions as a result of these regulations.

Margin Requirements for Non-Cleared Swaps

Rules issued by U.S., EU and other regulators globally (the “**Margin Rules**”) impose various margin requirements on all swaps that are not centrally cleared, including the establishment of minimum amounts of initial margin that must be posted, and, in some cases, the mandatory segregation of initial margin with a third-party custodian. Although the Margin Rules are intended to increase the stability of the derivatives market, the overall amount of margin that the Funds will be required to post to swap counterparties may increase by a material amount, and as a result the Funds may not be able to deploy capital as effectively. Additionally, to the extent the Funds is required to segregate initial margin with a third party custodian, additional costs will be incurred by the Funds.

Swap Transactions. The Funds may engage in credit default swaps, total return swaps on individual securities and indices and other swap transactions. Swap contracts are not traded on exchanges and are not subject to the same type of government regulation as exchange markets. As a result, many of the protections afforded to participants on organized exchanges and in a regulated environment are not available in connection with these transactions. The swap markets are “principals’ markets”, in which performance with respect to a swap contract is the responsibility only of the counterparty to the contract, and not of any exchange or clearinghouse. As a result, the Funds is subject to the risk of the inability or refusal to perform with respect to swap contracts on the part of the counterparties with which Senator trades. There are no limitations on daily price movements in swap transactions. Speculative position limits are not applicable to swap transactions, although the Funds’ swap counterparties may limit the size or duration of positions available to the Funds as a consequence of credit considerations. Participants in the swap markets are not required to make continuous markets in the swap contracts they trade. Participants could refuse to quote prices for swap contracts or quote prices with an unusually wide spread between the price at which they are prepared to buy and the price at which they are prepared to sell. If an event of default or an additional termination event were to occur with respect to the Funds under an ISDA master agreement governing the Funds’ swap transactions, the relevant swap counterparty and other swap counterparties may terminate all transactions with the Funds at significant losses to the Funds.

Trading in swaps and other derivative instruments can permit a high degree of synthetic leverage. Accordingly, the leverage offered by trading in derivative instruments may magnify the gains and losses experienced by the Funds and could cause the Funds’ net asset value to be subject to wider fluctuations than would be the case if Senator did not use derivative instruments which provide leverage. Thus, like other leveraged investments, a derivatives trade may result in losses in excess of the amount invested. Any increase in the amount of leverage applied in trading will increase the risk of loss by the amount of additional leverage applied.

Over-the-Counter Trading. Derivative instruments that may be purchased or sold by the Funds may include instruments not traded on an exchange. Over-the-counter options, unlike exchange-traded options, are two-party contracts with price and other terms negotiated by the buyer and seller. The risk of nonperformance by the obligor on such an instrument may be greater and the ease with which the Funds can dispose of or enter into closing transactions with respect to such an instrument may be less than in the case of an exchange-traded instrument. In addition, significant disparities may exist between the bid and asked prices for derivative instruments that are not traded on an exchange. Derivative instruments not traded on exchanges are also not subject to the same type of government regulation and supervision as exchange-traded instruments, and many of the protections

afforded to participants in a regulated environment may not be available in connection with such transactions. For example, the performance guarantee of an exchange clearinghouse may not be available in connection with over-the-counter transactions. The Funds may therefore be exposed to greater risk of loss through default than if Senator confined its trading to regulated exchanges.

Options. The successful use of options depends on the ability of Senator to forecast interest rate and market movements correctly. In addition, when it purchases an option, the Funds runs the risk that it will lose its entire investment in the option in a relatively short period of time, unless the Funds exercises the option or enters into a closing transaction with respect to the option during the life of the option. If the price of the underlying security does not rise (in the case of a call) or fall (in the case of a put) to an extent sufficient to cover the option premium and transaction costs, the Funds will lose part or all of its investment in the option. There is no assurance that the Funds will be able to avoid losses by effecting closing transactions at any particular time or at any acceptable price. In the event of the bankruptcy of a broker through which the Funds engages in transactions in options, the Funds could experience delays and/or losses in liquidating open positions purchased or sold through the broker.

Equity Securities Generally. Senator may invest in common and preferred stock and other equity securities, including both public and private equity securities. Equity securities involve a high degree of risk and will be subordinate to the debt securities and other indebtedness of the issuers of such equity securities. Market prices of equity securities generally are subject to greater volatility than prices of fixed-income securities. Such fluctuations are often based on factors unrelated to the value of the issuers of the securities, such as poor economic or market conditions. Market prices of equity securities as a group have dropped dramatically in a short period of time on several occasions in the past, and they may do so again in the future. In some cases, the issuers of such equity securities may be highly leveraged or subject to other risks such as limited product lines, markets or financial resources. In addition, some of these equity securities may be illiquid. Because of perceived or actual illiquidity or investor concerns regarding leveraged capitalization, these securities often trade at significant discounts to otherwise comparable investments or are not readily tradable. These securities generally do not produce current income for the Funds and may also be speculative. In addition, actual and perceived accounting irregularities may cause dramatic price declines in the equity securities of companies reporting such irregularities or which are the subject of rumors of accounting irregularities. The Funds may experience a substantial or complete loss on individual equity securities.

Equity Securities of Small and Mid-Cap Companies. Some of the issuers of equity securities in which the Funds may invest may be more vulnerable than larger companies to adverse business or market developments, may have limited markets or financial resources and may lack experienced management. In addition, many small and medium size companies are not well known to the investing public, do not have significant institutional ownership and are followed by relatively few analysts, and thus there may tend to be less publicly available information concerning such companies compared to what is available for companies that have larger market capitalizations.

PIPE Transactions. Private investments in public companies whose stocks are quoted on stock exchanges or which trade in the over-the-counter securities market, a type of investment commonly referred to as a "PIPE" transaction, may be entered into with smaller capitalization public companies, which will entail business and financial risks comparable to those of investments in the

publicly-issued securities of smaller capitalization companies, which may be less likely to be able to weather business or cyclical downturns than larger companies and are more likely to be substantially hurt by the loss of a few key personnel. In addition, PIPE transactions will generally result in the Funds acquiring either restricted stock or an instrument convertible into restricted stock. As with investments in other types of restricted securities, such an investment may be illiquid. The Funds' ability to dispose of securities acquired in PIPE transactions may depend on the registration of such securities for resale. Any number of factors may prevent or delay a proposed registration. Alternatively, it may be possible for securities acquired in a PIPE transaction to be resold in transactions exempt from registration in accordance with Rule 144 under the Securities Act, or otherwise under the U.S. federal securities laws. There can be no guarantee that there will be an active or liquid market for the stock of any small capitalization company due to the possible small number of stockholders. As a result, even if the Funds are able to have securities acquired in a PIPE transaction registered or sell such securities through an exempt transaction, the Funds may not be able to sell all the securities on short notice, and the sale of the securities could lower the market price of the securities. There is no guarantee that an active trading market for the securities will exist at the time of disposition of the securities, and the lack of such a market could hurt the market value of the Fund's investments.

Early-Stage and Development-Stage Companies. Early-stage and development-stage companies often experience unexpected problems in the areas of product development, manufacturing, marketing, financing and general management, which, in some cases, cannot be adequately solved. In addition, such companies may require substantial amounts of financing, which may not be available through institutional private placements or the public markets. The percentage of companies that survive and prosper is small. Furthermore, companies at an early or development stage 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. Such companies will often rely upon rapidly changing technologies. Therefore, technological obsolescence and other technology risks may also adversely impact the performance of these companies. In all cases, the Funds will be subject to the risks associated with the underlying businesses engaged in by its portfolio companies.

The Funds are also expected to make late-stage or cross-over investments. Investments in more mature companies also involve substantial risks. Such companies typically have obtained capital in the form of debt and/or equity to expand rapidly, reorganize operations, acquire a business, or develop new products and markets. These activities by definition involve a significant amount of corporate change and could give rise to significant problems, whether they be in clinical trials, product development, sales and manufacturing or the general management of any such activities.

Risk of Later Stage Companies. Investments in companies in a later-stage of development also involve substantial risks. These companies typically have obtained capital in the form of debt and/or equity to expand rapidly, reorganize operations, acquire a business or develop new products and markets. These activities by definition involve a significant amount of change, which can give rise to significant problems in sales, manufacturing and general management of business activities.

Private Investments Generally. The Funds expect to make private investments, including in early-stage companies, which are exposed to a high degree of business and financial risk. Such risks may adversely affect the performance of any such investments and result in substantial losses to the

Funds. While the targeted returns should reflect the perceived level of risk in any investment situation, there can be no assurance that the Funds will be adequately compensated for risks taken. A loss of principal is possible. The timing of profit realization is highly uncertain. Losses are likely to occur early, while successes often require a long maturation.

The Funds may acquire control positions in addition to advisory roles with respect to portfolio companies, along with certain contractual rights to protect its investments (including shareholder agreements, redemption rights and/or the right to place a designee of Senator on the board of directors or as a board observer). However, the Funds may not always have control over its portfolio companies. Management or shareholders of portfolio companies may refuse to adopt the recommendations of Senator and disagreements with existing management may otherwise arise. Investment losses may result from such refusals or disagreements. Furthermore, in certain circumstances in which the Funds does not own 100% of the equity of a portfolio company, but has a controlling interest, Senator's actions may be limited by fiduciary obligations to minority owners.

Private investments in highly leveraged companies involve a high degree of risk. Some of the Funds' portfolio companies may be leveraged, which will increase the exposure of such companies to adverse economic factors such as downturns in the economy or deterioration in the conditions of such companies or their industry sectors. In the event any portfolio company cannot generate adequate cash flow to meet debt service, the Funds may suffer a partial or total loss of its invested capital, which would adversely affect the return on capital invested in the Fund.

The Funds may be called upon to make follow-on investments in portfolio companies or have the opportunity to increase its investment in portfolio companies. There can be no assurance that the Funds will make any such investment or that it will have sufficient funds to do so should Senator wish to do so. Any decision by Senator not to make such an investment, or any inability to do so, may have a substantial negative impact on the relevant portfolio company, may diminish the Funds' ability to influence the portfolio company's future development, may result in dilution of the Funds' prior investment, and could impair the value of such underlying company and, in turn, the investment of the Funds therein. In the event the Funds make a follow-on investment, there is also the risk that the follow-on investment will not preserve, protect or enhance the existing investment, and the Funds may lose both its initial investment and the follow-on investment.

Investments in Public Companies. The Funds may invest in public companies or take private companies public. Investments in public companies will subject the Funds to risks that differ in type or degree from those involved with investments in privately-held companies. Such risks include, without limitation, movements in the stock markets and trends in the overall economy, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of the Funds to dispose of such securities at certain times (including due to the possession by Senator of material non-public information), increased likelihood of shareholder litigation against such companies' board members, which may include Senator's personnel, regulatory action by U.S. and non-U.S. regulators and increased costs associated with each of the aforementioned risks.

Non-Controlling Positions. The Funds may take minority stakes in privately-held or public companies from time to time, including by purchasing directly on the open market passive stakes in public companies. Such minority holdings will have neither the control characteristics of majority

stakes nor the valuation premiums oftentimes accorded to majority or controlling stakes, and such companies may be controlled by persons who have economic or business interests or goals that are inconsistent with those of the Funds or that may be in a position to take action contrary to the Funds' business interests. Where the Funds hold a non-controlling interest in a portfolio company, they may have a limited ability to limit or otherwise protect their respective positions in such company.

Portfolio Company Management. Certain Funds will seek to monitor the performance of each portfolio investment through participation on boards of directors and/or by maintaining an ongoing dialogue with each portfolio company's management team. However, generally, each portfolio company's day-to-day operations will be the responsibility of such company's management team. Although Senator will be responsible for monitoring the performance of the relevant portfolio companies and intends to invest in companies operated by strong management, there can be no assurance that the existing management team, or any successor management team, will be able to operate the portfolio company in accordance with the relevant Fund's plans or expectations.

Real Estate-Related Securities. Securities issued by entities which invest in real estate, including "real estate investment trusts", generally will be subject to the risks incident to the ownership and operation of commercial real estate and/or risks incident to the making of nonrecourse mortgage loans secured by real estate. Such risks include, without limitation, the risks associated with both the domestic and international general economic climates; local real estate conditions; risks due to dependence on cash flow; risks and operating problems arising out of the absence of certain construction materials; changes in supply of, or demand for, competing properties in an area (as a result, for instance, of over-building); the financial condition of tenants, buyers and sellers of properties; changes in availability of debt financing; energy and supply shortages; changes in the tax, real estate, environmental, and zoning laws and regulations; various uninsured or uninsurable risks; natural disasters; and the ability of the Funds or third-party borrowers to manage the real properties. In addition, the Funds may incur the burden of ownership of real property, which include the paying of expenses and taxes, maintaining such property and any improvements thereon, and ultimately disposing of such property.

Short Selling. Senator may engage in selling securities short. Short sales by the Funds that are not made "against the box" create opportunities to increase the Funds' return but, at the same time, involve special risk considerations and may be considered a speculative technique. Since the Funds, in effect, profits from a decline in the price of the securities sold short without the need to invest the full purchase price of the securities on the date of the short sale, the value of the Funds will tend to increase more when the securities it has sold short decrease in value, and to decrease more when the securities it has sold short increase in value, than otherwise would be the case if it had not engaged in such short sales.

Short sales theoretically involve unlimited loss potential, as the market price of securities sold short may increase continuously, although the Funds may mitigate such losses by seeking to replace the securities sold short. Short positions are subject to buy-in at any time (for example, if the lending broker is required to return the borrowed securities to its customer and cannot locate replacement securities), without regard to the Funds' intention to maintain the position. Under adverse market conditions, the Funds might have difficulty purchasing securities to meet its short sale delivery obligations, and might have to sell portfolio securities to raise the capital necessary to meet its short sale obligations at a time when fundamental investment considerations would not favor such sales.

There can be no assurance that the securities necessary to cover a short position will be available for purchase at any particular time. In addition, short selling also involves the posting of collateral that should be returned to the Funds upon the satisfaction of the short sale. Amounts posted as collateral may be invested in cash or cash equivalents and may not generate the same rate of return as the Funds' other investments. Short sales may also be used with the intent of hedging against the risk of declines in the market value of the Funds' long portfolio, but there can be no assurance that such hedging operations will be successful.

Thus, selling securities short creates the risk of losing an amount greater than the initial investment in a relatively short period of time.

Futures Trading Is Speculative. Senator may engage in futures trading. A principal risk in trading futures is the traditional volatility and rapid fluctuation in the market prices. The profitability of such futures trading will depend primarily on the prediction of fluctuations in market prices. Price movements for futures are influenced by, among other things, government trade, fiscal, monetary and exchange control programs and policies; weather and climate conditions; changing supply and demand relationships; national and international political and economic events; changes in interest rates; and the psychological emotions of the market-place. In addition, governments from time to time intervene, directly and by regulation, in certain markets, often with the intent to influence prices directly. The effects of governmental intervention may be particularly significant at certain times in the financial instrument and currency markets, and such intervention (as well as other factors) may cause these markets to move rapidly.

Futures Trading Is Highly Leveraged. The low margin deposits normally required in futures trading permit an extremely high degree of leverage. Accordingly, a relatively small price movement in a futures contract may result in immediate and substantial loss or gain to the investors. For example, if at the time of purchase 10% of the price of a futures contract is deposited as margin, a 10% decrease in the price of the futures contract would, if the contract were then closed out, result in a total loss of the margin deposit before any deduction for brokerage commissions. Thus, like other leveraged investments, any futures trade may result in losses in excess of the amount invested. Any increase in the amount of leverage applied in trading will increase the risk of loss by the amount of additional leverage applied.

Tracking Risk. When used for hedging purposes, an imperfect or variable degree of correlation between price movements of a derivative instrument and the underlying investment sought to be hedged may prevent the Funds from achieving the intended hedging effect or expose the Funds to the risk of loss.

Discretion to Employ New Strategies and Techniques. Senator has considerable discretion in the types of securities which the Funds may trade and has the right to modify the trading strategies or techniques of the Funds without the consent of the investors. Any of these new trading strategies or techniques may not be thoroughly tested in the market before being employed and may have operational or theoretical shortcomings which could result in unsuccessful trades and, ultimately, losses to the Funds. In addition, any new trading strategy or technique developed by the Funds may be more speculative than earlier techniques and may increase the risk of an investment in the Funds.

Significant Positions in Securities; Regulatory Requirements. In the event the Funds acquire a significant stake in certain issuers of securities and such stake exceeds certain percentage or value limits, the Funds may be subject to regulation and regulatory oversight that may impose notification and filing requirements or other administrative burdens on the Funds and Senator. Any such requirements may impose additional costs on the Funds and may delay the acquisition or disposition of the securities or the Funds ability to respond in a timely manner to changes in the markets with respect to such securities.

In addition, “position limits” may be imposed by various regulators that may limit the Funds ability to effect desired trades. Position limits are the maximum amounts of gross, net long or net short positions that any one person or entity may own or control in a particular issuer’s securities. All positions owned or controlled by the same person or entity, even if in different accounts, may be aggregated for purposes of determining whether the applicable position limits have been exceeded. To the extent that the Funds position limits were aggregated with an affiliate’s position limits, the effect on the Funds and resulting restriction on its investment activities may be significant. If at any time positions managed by Senator were to exceed applicable position limits, Senator would be required to liquidate positions, which might include positions of the Funds, to the extent necessary to come within those limits. Further, to avoid exceeding any position limits, the Funds might have to forego or modify certain of its contemplated trades.

In addition, if the Funds, acting alone or as part of a group, acquires beneficial ownership of more than 10% of a certain class of securities of a public company or places a director on the board of directors of such a company, under Section 16 of the U.S. Securities Exchange Act of 1934, as amended, the Funds may be subject to certain additional reporting requirements and may be required to disgorge certain short-swing profits arising from purchases and sales of such securities. Furthermore, in such circumstances the Funds will be prohibited from entering into a short position in such issuer’s securities, and therefore limited in its ability to hedge such investments. Similar restrictions and requirements may apply in non-U.S. jurisdictions.

Digital Asset Risks. Where consistent with the mandate of a stated investment strategy, Funds may invest in cryptocurrencies, decentralized application tokens, protocol tokens and other cryptofinance coins, tokens and digital assets and instruments that are based on blockchain, distributed ledger or similar technologies (“**Digital Assets**”). The investment characteristics of Digital Assets generally differ from those of traditional currencies, commodities, or securities. The size and nature of any such investments may vary and could be employed in any investment strategy, including for hedging purposes. Principal risks associated with investments in Digital Assets include price volatility, legal and regulatory risk, tax, custody issues, cybersecurity risks and risk of loss of private keys. Investors in the Funds are advised to review the applicable offering and/or governing documents for a more extensive description of the risks posed potential investments in Digital Assets, including disclosures required by the National Futures Association.

Exposure to Material Non-Public Information. From time to time, Senator may receive material non-public information with respect to an issuer of publicly traded securities. In such circumstances, the Funds may be prohibited, by law, policy or contract, for a period of time from (i) unwinding a position in such issuer, (ii) establishing an initial position or taking any greater position in such issuer, and (iii) pursuing other investment opportunities related to such issuer.

Board Participation. Senator anticipates that the Funds' investment program, or the investment program of other accounts managed by Senator, may from time to time enable the Funds or a Senator account to place its representatives on boards of certain companies in which the Funds has invested. While such representation may enable the Funds or the other account managed by Senator to enhance the sale value of its investments, it may also prevent the Funds or other Senator managed accounts from freely disposing of its investments and may subject the Funds to additional liability. The Funds will indemnify the general partner, Senator or any other person designated by the general partner or Senator for claims arising from such board representation. The Funds will attempt to balance the advantages and disadvantages of such representation when deciding whether and how to exercise its rights with respect to such companies, but the exercise of such rights could produce adverse consequences in particular situations.

Financial Fraud. Instances of fraud and other deceptive practices committed by senior management of certain companies in which the Funds invests may undermine Senator's due diligence efforts with respect to such companies, and if such fraud is discovered, negatively affect the valuation of the Funds' investments. In addition, when discovered, financial fraud may contribute to overall market volatility which can negatively impact the Funds' investment program.

Co-Investments with Third Parties. The Funds may co-invest with third parties through joint ventures or other entities. Such investments may involve risks not present in investments where a third party is not involved, including the possibility that a co-venturer or partner of the Funds may at any time have economic or business interests or goals which are inconsistent with those of the Funds, or may be in a position to take action contrary to the Funds' investment objective. In addition, the Funds may be liable for actions of its co-venturers or partners.

Co-Investments with Other Senator Managed Accounts. The Funds may co-invest with Senator managed accounts through joint ventures or other entities. Such situations may involve the possibility that another Senator managed account may at any time have economic or business interests or goals which are inconsistent with those of the Funds, or may be in a position to take action contrary to the Funds' investment objective. In addition, the Funds may be liable for action taken by another Senator managed account.

Investments by Senator Related Persons. The Code of Ethics of Senator places restrictions on personal trades by Senator's principal, employees and affiliates (each, a "**Senator Related Person**"), including that they disclose their personal securities holdings and transactions to Senator on a periodic basis, and requires that they pre-clear certain types of personal securities transactions. Subject to internal compliance policies and approval procedures, Senator Related Persons may hold or acquire positions in portfolio companies, securities or other investments, including investments in digital assets, directly or indirectly (including, without limitation, through other Senator managed accounts or investments funds managed by unaffiliated investment managers or through pooled transactions in cooperation with other Senator Related Persons) in which the Funds invest. Similarly, the Funds may acquire positions in which a Senator Related Person directly or indirectly hold investments. Such investments may be coincident or precede one another. Accordingly, there is a possibility that a Senator Related Person may benefit from market or investment activity by the Funds. Further, there may be instances where a Senator Related Person will have an incentive to take an action for the Funds that ultimately benefits the Senator Related Person's personal investment. In addition, Senator Related Persons may give advice or take action with respect to their

own accounts that may differ from, conflict with or is adverse to advice given or action taken for the Funds. These activities may adversely affect the prices and availability of securities held by or potentially considered for purchase by the Funds. Notwithstanding the foregoing, Senator and the Senator team intend to manage any such situations, if any, in a manner consistent with their fiduciary responsibilities.

Absence of Regulatory Oversight. The Funds are not required to register as an investment company, and has not registered as such, under the Investment Company Act. Senator is not registered as a commodity pool operator under the Commodity Exchange Act (the “CEA”). Accordingly, the provisions of the CEA and the regulations promulgated thereunder which are intended to provide various protections to investors, are not applicable to an investment in the Funds.

Institutional Risks. Institutions, such as brokers and dealers, will generally have custody of the assets of the Funds. Bankruptcy, fraud or other financial difficulties at one of these institutions could impair the operating capabilities or the capital position of the Funds. Senator will attempt to limit its custodial arrangements to financial institutions and brokerage firms which it believes to be well-capitalized and established in an effort to mitigate such risks.

Counterparty Risk and Credit Risk. To the extent that the Funds enter into contracts for investment with a market counterparty as principal (and not as agent), the Funds will be subject to the risk of the inability of counterparties to perform with respect to such transactions, whether due to insolvency, bankruptcy or other causes, which could subject the Funds to substantial losses. In an effort to mitigate such risks, Senator will attempt to limit transactions to counterparties which it believes are established, well-capitalized and creditworthy.

If there is a default by a counterparty, the Funds under most normal circumstances will have contractual remedies pursuant to the agreements related to the transactions. However, exercising such contractual rights may involve delays or costs which could result in the net asset value of the Funds being less than if the Funds had not entered into the transactions. Furthermore, there is a risk that any of such counterparties could become insolvent and/or the subject of insolvency proceedings. In such case, the recovery of the Funds’ securities from such counterparty or the payment of claims therefor may be significantly delayed and the Funds may recover substantially less than the full value of the securities entrusted to such counterparty.

Collateral that the Funds post to their counterparties that is not segregated with a third party custodian may not have the benefit of customer-protected “segregation” of such funds. In the event that a counterparty were to become insolvent, the Funds may become subject to the risk that it may not receive the return of its collateral or that the collateral may take some time to return.

In addition, the Funds may use counterparties located in jurisdictions outside the United States. Such local counterparties usually are subject to laws and regulations in non-U.S. jurisdictions that are designed to protect customers in the event of their insolvency. However, the practical effect of these laws and their application to the Funds’ assets are subject to substantial limitations and uncertainties. Because of the range of possible factual scenarios involving the insolvency of a counterparty and the potentially large number of entities and jurisdictions that may be involved, it is impossible to generalize about the effect of such an insolvency on the Funds and their assets.

Investors should assume that the insolvency of any such counterparty would result in significant delays in recovering the Funds' securities from or the payment of claims therefor by such counterparty and a loss to the Funds, which could be material.

Limited Management Rights. Subject to certain limited voting rights of the Funds' investors, as set forth in the Funds' constituent documents, and certain limitations imposed by law, general partner, the board of directors and/or Senator has full, exclusive and complete power and discretion, without the need for consent or approval of any investor, to make all decisions and do all things that it deems necessary or desirable on behalf of the Funds.

Illiquidity; Transfers and Redemptions; Mandatory Withdrawals. The shares and interests in the Funds are highly illiquid and are not transferable without consent. There will be no secondary market for the shares or interests, and consequently, investors may not be able to dispose of them. The right to withdraw from the Funds is limited by the applicable Funds' constitutional documents. Additionally, the right to withdraw share or interests may be suspended from time to time. In addition, the general partner and/or the board of directors reserve the right to compel the withdrawal of all or part of any shares or interests without prior notice.

Contingent Liabilities. Reserves for unknown or contingent liabilities may be established for the Funds. Any such reserves could require the withholding of a portion of the withdrawal proceeds payable in respect of an investor's withdrawal request.

Litigation. Litigation can and does occur in the ordinary course of the management of an investment portfolio. The Funds may be engaged in litigation both as a plaintiff and as a defendant. This risk is somewhat greater where the Funds exercises control or significant influence over a company's direction, including as a result of board participation. Such litigation can arise as a result of issuer defaults, issuer bankruptcies and/or other reasons. In certain cases, such issuers may bring claims and/or counterclaims against the Funds, Senator and/or their respective principals and affiliates alleging violations of securities laws and other typical issuer claims and counterclaims seeking significant damages. The expense of prosecuting claims and/or defending against claims made against the Funds by third parties and paying any amounts pursuant to settlements, awards or judgments would, to the extent that (i) the Funds has not been able to protect itself through indemnification or other rights against the portfolio companies or (ii) is not entitled to such protections or (iii) the portfolio company is not solvent, be borne by the Funds pursuant to indemnification obligations and reduce net assets. Senator, the general partner and others may be indemnified by the Funds in connection with such litigation, subject to certain conditions.

Allegations of Lender Liability and Equitable Subordination. In recent years, certain judicial decisions have upheld the right of borrowers to sue lending institutions on the basis of various evolving legal theories (collectively termed "**lender liability**"). Generally, lender liability is founded upon the premise that an institutional lender has violated a duty (whether implied or contractual) of good faith and fair dealing owed to the borrower or has assumed a degree of control over the borrower resulting in creation of a fiduciary duty owed to the borrower or its other creditors or shareholders. In addition, under common law principles that in some cases form the basis for lender liability claims, certain actions by creditors may result in the subordination of the claim of the offending lending institution to the claims of the disadvantaged creditor or creditors, a remedy called "equitable subordination". Because of the nature of certain of the investments in portfolio

companies, the Funds could be subject to allegations of lender liability and/or be subject to claims from creditors of an obligor that investments issued by such obligor that are held by the Funds should be equitably subordinated. A significant number of investments in the portfolio companies will involve investments in which the Funds would not be the lead creditor. It is, accordingly, possible that lender liability or equitable subordination claims affecting the investments made by the Funds could arise without the direct involvement of the Funds.

Investments Could be Alleged to be Fraudulent Conveyances. Certain laws enacted for the protection of creditors may apply to the investments made by the Funds by virtue of the Funds' role as a creditor with respect to such investments made by the Funds. If a court in a lawsuit brought by an unpaid creditor or representative of creditors of a borrower were to find that the borrower did not receive fair consideration or reasonably equivalent value for incurring indebtedness evidenced by an investment made by the Funds and the grant of any security interest or other lien securing such investment made by the Funds, and, after giving effect to the incurring of such indebtedness, the borrower (i) was insolvent, (ii) was engaged in a business for which the assets remaining in such borrower constituted unreasonably small capital or (iii) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature, such court could invalidate, in whole or in part, such indebtedness and such security interest or other lien as fraudulent conveyances, subordinate such indebtedness to existing or future creditors of the borrower or recover amounts previously paid by the borrower (including to the Funds) in satisfaction of such indebtedness or proceeds of such security interest or other lien previously applied in satisfaction of such indebtedness. In addition, in the event of the insolvency of an issuer, payments made on the investments in such issuer made by the Funds could be subject to avoidance as a "preference" if made within a certain period of time before insolvency. The measure of insolvency for purposes of the foregoing will vary depending on the law of the jurisdiction which is being applied. Generally, however, a borrower would be considered insolvent at a particular time if the sum of its debts was greater than all of its property at a fair valuation or if the present fair saleable value of its assets was then less than the amount that would be required to pay its probable liabilities on its existing debts as they became absolute and matured. In general, if payments on an investment made by the borrower are voidable, whether as fraudulent conveyances or preferences, such payments can be recaptured either from the initial recipient (such as the Funds) or from subsequent transferees of such payments.

Bankruptcy Rules. Most cash and securities maintained in Funds' accounts at U.S. broker-dealers registered with the SEC and FINRA are protected to a limited degree by the U.S. Securities Investor Protection Corporation (the "SIPC"). In the event of the failure of a registered broker-dealer, if sufficient assets are not available in the broker-dealer's customer accounts to satisfy customers' net equity claims, the reserve funds of the SIPC will be used to supplement the distribution, up to a ceiling of \$500,000 per customer, including a maximum of \$250,000 for cash claims. Therefore, the Funds could be at risk of loss for any amounts in excess of the SIPC limit. In addition, bankruptcy law applicable to all U.S. FCMs requires that, in the event of the bankruptcy of such an FCM, all property held by the FCM, including certain property specifically traceable to a customer, will be returned, transferred or distributed to the FCM's customers only to the extent of each customer's *pro rata* share of all property available for distribution to customers. If any FCM holding the Funds' assets were to file for bankruptcy protection, it is possible that the Funds would be able to recover none or only a portion of its assets held by such FCM. Furthermore, in the event of an insolvency of an FCM or other counterparty which is not regulated by the CFTC or if such FCM

fails to properly segregate customer funds, the CFTC's segregation protections would not be available to the Funds. Other custodians and counterparties may have similar types of risks. Assets held outside the U.S. may be subject to different and/or diminished protection in the event of a counterparty failure located in such jurisdiction.

Investing in Technology-Reliant Companies. At the time of the Funds' investment, the portfolio company may lack one or more key attributes (e.g., proven technology, appropriate patent protection, marketable product, complete management team or strategic alliances) necessary for success. Many or most of the portfolio companies of certain of the Funds will be dependent for their success upon the development, implementation, marketing and customer acceptance of new technologies that can be rendered obsolete or otherwise unattractive at any time. In some (possibly most) cases, the success of such portfolio companies will depend upon the development of business, technology or other "ecosystems" that may or may not reach critical mass during the relevant time period. In particular, there have been many examples of technology-related investments that failed to produce attractive returns simply because they were made too early in the development of such ecosystems, and there can be no assurance that the Funds will make investments at the proper time to achieve its investment goals.

Uncertain Ability to Protect Proprietary Technology; Reliance Upon Licenses. Certain industries in which the Funds invest place considerable importance on obtaining patent and trade secret protection for new technologies, products and processes. A portfolio company's success will depend, in part, on its ability to obtain patent protection for its products, preserve its trade secrets and operate without infringing the proprietary rights of others. There can be no assurance of a company's success or timeliness in obtaining any patents, or of the breadth or degree of protection that any such patents will afford a company.

Technological Changes May Adversely Affect Portfolio Companies. The markets in which certain portfolio companies of the Funds operate are characterized by rapid change, frequent new product and service introductions and evolving industry standards. Significant technological changes could render their technology or other products and services obsolete. Certain markets' growth and intense competition exacerbate these conditions. In addition, there are many competitors in the sectors in which the Funds invest that may already be funded, which will force the Funds' portfolio companies to compete with more established companies and compete for financing. If portfolio companies are unable to respond successfully to these developments or do not respond in a cost-effective manner, the Funds' business, financial condition and operating results will be adversely affected. To be successful, portfolio companies must adapt to their rapidly changing markets by continually improving the responsiveness, services and features of their products and services and by developing new features to meet the needs of their customers. There can be no assurance that portfolio companies will be able to meet these competitive requirements, and failure therein will result in a significantly adverse effect on the Funds' investments.

Financial Technology Risk. The Funds may invest in certain financial technology companies. Companies that are developing financial technologies that seek to disrupt or displace established financial institutions generally face competition from much larger and more established firms. Fintech companies may not be able to capitalize on their disruptive technologies if they face political and/or legal attacks from competitors, industry groups or local and national governments. Laws generally vary by country, creating some challenges to achieving scale. A fintech company may

not currently derive any revenue, and there is no assurance that a fintech company will derive any revenue from innovative technologies in the future.

The Renewable Energy Sector. Investments in renewable energy and companies with environmentally-friendly products are subject to political priorities and changing government regulation, which may not be enforced. New renewable energy technologies may be feasible, but not cost effective, as research and development costs for such technologies are high. Potential advantages of renewable energy may be slow in development and recognition. Additionally, interest in achieving a clean environment may diminish, particularly if the cost of non-renewable energy declines.

Failure of Custodians. Financial institutions such as FCMs and banks will have custody of the Funds' assets, including the Funds' margin deposits. Financial difficulty, fraud or misrepresentation at one of these institutions could impair the operational capabilities or capital positions of the Funds. The Funds will attempt to limit their custodians to well-capitalized and established institutions in an effort to mitigate such risks.

Third-Party Advice. The Funds and Senator utilize the services of attorneys, accountants and other consultants in their operations. The Funds and Senator generally rely upon such advisers for their professional judgment with respect to legal, tax and other regulatory matters. Nevertheless, there exists a risk that such advisers may provide incorrect advice from time to time. Neither the Funds nor Senator will have any liability to investors for any reliance upon such advice.

Tax Considerations. The Funds may take positions with respect to certain tax issues which depend on legal conclusions not yet addressed by the courts. Should any such positions be successfully challenged by the U.S. Internal Revenue Service or another applicable taxing authority, an investor might be found to have a different tax liability for a year than that reported on its federal income tax return for such year.

Side Letters. Senator and/or the Funds may enter into side letters or similar agreements with certain investors which may have the effect of establishing rights, terms or conditions (including, without limitation, reductions in management fees and performance-based compensation or other preferential terms, such as access to co-investment opportunities) with respect to such investors that are more favorable than the rights, terms and conditions established in favor other investors.

In-Kind Distributions. The Funds have the right to satisfy withdrawal request in whole in cash, or in whole in kind, or in part in cash and in part in kind. In the event that the Funds distribute securities or other investments in kind, the investments so distributed may not be readily marketable or saleable, and investors may need to hold such investments for an indefinite period of time.

Transactions with Portfolio Companies. The Funds may retain portfolio companies of the Funds and portfolio companies of other accounts to perform certain services for the Funds, and other accounts may retain a portfolio company of the Funds to perform certain services for such other accounts. The Funds also may enter into transactions with portfolio companies of the other accounts (e.g., purchasing securities from, selling securities to or entering into financing or other transactions with such portfolio companies (both on an agency and principal basis)). Senator will seek to ensure

that any such transactions are effected at market prices and that the terms of the transaction are negotiated on an arm's-length basis.

Services to Portfolio Companies. Senator or its affiliates may perform services for portfolio companies (which may include service on the board of directors) and may earn fees for such services (including director stock options). Generally, Senator expects to have such service relationships with a portfolio company (or to maintain a pre-existing relationship entered into prior to an investment by the Funds) only if it is believed that the relationship will prove to be more advantageous to the Funds than not having such relationship. However, the existence of such a relationship may give rise to restrictions on the Funds' ability to trade in securities of the portfolio company and may give rise to other potential conflicts of interest resulting from fiduciary or other duties owed to the portfolio company.

Conflicts Relating to Equity and Debt Ownership by the Funds and Affiliates. The Funds and other accounts may at various times hold both debt and equity interests in issuers that are financially distressed or might become bankrupt. During negotiations among creditors or bankruptcy proceedings of such issuers, the Funds and such other accounts may have competing claims for the remaining assets of such issuers. Additionally, Senator or its nominees may hold board or creditors' committee memberships which may require them to vote or take other actions in such capacities that might be conflicting with respect to certain funds managed by Senator in that such votes or actions may favor the interests of one fund over another fund. Furthermore, Senator's fiduciary responsibilities in these capacities might conflict with the best interests of their investors.

As described in Item 4, Senator may form other investment vehicles for co-investment or other special opportunities. The investment programs for such co-investment or other special opportunities vehicles are individually negotiated and may implicate strategies other than those described in this section, including strategies that may only make a limited number of or a single investment (such as an activist strategy). Because such vehicles may only make a limited number of or a single investment, if such investments involve a high degree of risk, poor performance by a single investment could substantially and adversely affect the returns of any such co-investment vehicle, to an extent that is disproportionate when compared to the Funds.

Item 9

Disciplinary Information

Neither Senator nor any of its employees have been involved in legal or disciplinary events that would be material to a client's or prospective client's evaluation of the advisory business or the integrity of Senator or its personnel.

Item 10

Other Financial Industry Activities and Affiliations

As stated in Item 4 above, Senator provides discretionary investment advisory services to domestic and offshore Funds.

Senator GP LLC, and Senator IS GP LLC are related persons of Senator and serve as general partners of one or more Funds.

From time-to-time, Senator may structure and serve as the general partner to special-purpose vehicles formed for the purpose of acquiring and holding Fund assets and addressing specific tax, legal, or regulatory concerns. The general partner entities are disclosed in Item 7.A. of Senator's Form ADV and the description of Senator and its business herein is generally applicable to these entities.

The Funds and special purpose vehicles do not have independent management and Senator selected the directors for the offshore Funds that are structured as corporations. Although this arrangement gives Senator heightened control and discretion over the Funds, Senator seeks to manage any conflicts of interest by adhering to the investment strategy and investment allocation policy discussed in the governing documents of the Funds.

Neither Senator nor its management persons are registered or have an application pending to register as a broker-dealer or registered representative of a broker-dealer.

Neither Senator nor 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 the foregoing entities.

Senator does not recommend or select other investment advisers for the Funds nor does it have any other relationships or arrangements with related persons that are material to its advisory business or to its clients.

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

Senator recognizes and believes that (i) high ethical standards are essential for its success and to maintain the confidence of its investors; (ii) its long-term business interests are best served by adherence to the principle that the interests of investors come first; and (iii) it has a fiduciary duty to its investors to act for their benefit. In seeking to meet these standards, Senator has adopted a Code of Ethics (the "Code"). The Code incorporates the following general principles that all employees are expected to uphold:

- all Senator personnel must put the interests of its Funds and clients before their own personal interests;
- all personnel must act honestly and fairly in all respects in dealings with investors;

- all personal securities transactions must be conducted in a manner consistent with the Code in a manner to avoid any potential or actual conflicts of interest or abuse of their fiduciary position of trust, loyalty and interest; and
- all personnel must not take any inappropriate advantage of their positions or abuse their fiduciary position of trust, loyalty and interest.

All Senator personnel must also comply with all federal securities laws.

The Senator Code of Ethics governs all personal trading by its personnel. Among other requirements, all personnel must seek pre-approval from the Chief Compliance Officer (the “CCO”) for certain personal trades and must report their personal securities transactions and holdings to the CCO. The Code of Ethics additionally requires the CCO to regularly review all personal trading documents and to address any issues noted during the review, including the appropriateness of imposing a penalty for violations of the Code of Ethics. Investors and potential investors may request a copy of Senator's Code of Ethics by contacting Senator at the address or telephone number listed on the first page of this document.

Eligible Senator personnel hold, either directly or through the Funds’ general partner, financial interests in the Funds. Additionally, it is possible that Senator personnel may personally invest in some of the same investments that are held by the Funds, or that they may own investments that are subsequently purchased for the Funds. In such cases, the CCO pre-approves such transactions to evaluate any issues resulting from the employee’s proposed ownership. This situation give rise to certain risks and conflicts of interest between the Funds and employees of Senator, which include the possibility of Senator employees attempting to trade ahead of the Funds for their personal advantage, or otherwise direct Fund investments for personal gain.

Senator may determine that it would be in the best interests of certain clients to transfer a security from one client to another (each such transfer, a “**Cross Trade**”) for a variety of reasons, including, without limitation, tax purposes, liquidity purposes, to rebalance the portfolios of the clients, or to reduce transaction costs that may arise in an open market transaction. If Senator decides to engage in a Cross Trade, Senator will determine that the trade is in the best interests of each client involved in it and take steps to ensure that the transaction is consistent with the duty to obtain best execution for each of those clients.

Senator generally executes Cross Trades with the assistance of a broker-dealer who executes and books the transaction at the close of the market on the day of the transaction. Alternatively, a Cross Trade between two clients may occur as an “internal cross”, where Senator instructs the custodian for the clients to book the transaction at the price determined in accordance with Senator’s valuation policy. If Senator effects an internal cross, Senator will not receive any fee in connection with the completion of the transaction.

To the extent that Cross Trades may be viewed as principal transactions due to the ownership interest in a client by Senator or its personnel, Senator will comply with the requirements of Section 206(3) of the Investment Advisers Act of 1940. Section 206(3) requires that an investment adviser provide written disclosure and obtain client consent prior to the settlement of a principal transaction. Such transactions will be considered on behalf of investors in such a client and approved or

disapproved by (i) an advisory board comprised of representatives of such investors or (ii) a committee consisting of one or more persons selected by Senator (or its affiliate), and any valuation approved by such a committee will be determined by an independent third party that has appropriate experience in providing such valuations.

Senator manages investments on behalf of a number of clients. Certain clients have investment programs that are similar to or overlap and may, therefore, participate with each other in investments. It is the policy of Senator to allocate investment opportunities among all clients fairly, to the extent practical and in accordance with each client's applicable investment strategies, over a period of time. Senator will have no obligation to purchase or sell a security for, enter into a transaction on behalf of, or provide an investment opportunity to any client solely because Senator purchases or sells the same security for, enters into a transaction on behalf of, or provides an opportunity to any client if, in its reasonable opinion, such security, transaction or investment opportunity does not appear to be suitable, practical or desirable for the client.

In each case where an investment opportunity is suitable for a Fund and one or more clients other than such Fund, (collectively, and including the Fund, each, an "Eligible Fund", Senator will strive to provide a fair allocation of investments among Eligible Funds, while seeking appropriate diversification for each Eligible Fund as well as compliance with relevant regulatory requirements. In each instance where an investment is suitable for an Eligible Fund, Senator will determine the allocation of such investment to each Eligible Fund based upon factors which may include (without limitation): (i) the overall capacity of each Eligible Fund for investments of a similar nature to such investment; (ii) the investment guidelines and restrictions for each Eligible Fund; (iii) the overall liquidity of the portfolio of each Eligible Fund; (iv) anticipated timing of return on the investment (including time for liquidation); (v) market conditions at the time of the investment; (vi) the size of the investment opportunity relative to the size of each Eligible Fund; (vii) the diversification of the holdings of each Eligible Fund at the time of the investment; (viii) the current and anticipated liquidity of the investment; (ix) applicable laws and regulations; (x) tax considerations; (xi) pending or expected liquidity needs of each Eligible Fund; and (xii) any other factor that Senator determines should appropriately influence the allocation of an investment to an Eligible Fund.

Item 12

Brokerage Practices

The policy of Senator regarding purchases and sales for client portfolios is that primary consideration will be given to obtaining the most favorable execution of the transactions in seeking to implement Senator's investment strategy. Senator will effect transactions with those brokers and dealers which Senator believes provide best execution, which does not necessarily mean lowest pricing. Senator believes certain factors contribute to efficient execution, including: size of the order, difficulty of execution given the nature of the asset and/or prevailing market conditions, operational capabilities, facilities of the broker or dealer involved, whether that broker or dealer has risked its own capital in positioning a block of securities or other assets, and the prior experience of the broker or dealer in effecting transactions of the type in which Senator will engage. When selecting a prime broker, Senator may also consider the provision by the brokers of capital introduction, talent introduction, marketing assistance, consulting with respect to technology,

operations and equipment, commitment of capital, access to company management and access to deal flow.

Soft Dollars. From time to time, the Advisor may engage in “soft dollar” arrangements through “commission sharing,” or similar arrangements whereby the Advisor pays a broker or dealer for trade execution and requests that the broker or dealer allocates a portion of the commissions to third-party providers of research. The Advisor will effect such arrangements, and receive such brokerage and research services, only to the extent that they fall within the safe harbor provided by Section 28(e) of the U.S. Securities Exchange Act of 1934, as amended, and subject to prevailing guidance provided by the SEC regarding Section 28(e).

Senator may, when circumstances warrant, enter into so called “step out” trades or utilize brokers which have commission sharing agreements (a “CSA”), whereby all or part of a commission on a transaction is sent to one party while the transaction is executed by a different party. Senator benefits from the use of a CSA to obtain research services in that it does not itself have to directly pay for the research services. Additionally, Senator has an incentive to utilize trading counterparties that are included in the CSA based on its ability obtain research services through the CSA, and such incentive could jeopardize Senator’s best execution practices. A portion of the overall commissions generated through the CSA is utilized as credit towards the receipt of research services, and therefore the commissions are higher than would otherwise be paid outside of the CSA. The Funds generally receive research services through the CSA (which benefit all of the Funds rather than solely the Funds that paid for the benefits). Senator does not seek to allocate research benefits to client accounts in proportion to the soft dollar credits the accounts generate. Senator maintains procedures that guide its trading processes, including the generation of CSA credits and the evaluation of its trading capabilities. Senator additionally receives proprietary and third-party research from a number of broker-dealers with whom it conducts business. In the last fiscal year, there were no directed client transactions to a particular broker-dealer in return for soft dollar benefits.

Transactions in Foreign Securities. Transactions in foreign securities may entail materially higher commission rates, reflecting settlement costs in the country of execution. To the extent that securities are required to be custodied or traded in a foreign country, the local foreign custodian charges the broker in accordance with local custom. These fees will be charged to the Funds as incurred. In addition to the risks of the investment, foreign securities investments also entail risks of fluctuation in the exchange rate between the local currency and the U.S. dollar.

Brokerage for Client Referrals. Neither Senator nor any related person receives client referrals from any broker-dealer or third party. From time to time, Senator receives certain economic benefits from broker-dealers and prime brokers with which we conduct business with that might not be received otherwise. The services may include proprietary research as well as participation in sponsored research and capital introduction services. While these services are generally provided at no additional cost, we may have an incentive to select certain broker-dealers due to receipt of such services rather than for the purpose of achieving best execution. In the last fiscal year, there were no directed client transactions to a particular broker-dealer in return for client referrals.

Gifts. Our personnel may receive or give certain gifts from or to broker-dealers or other persons with whom we do business. These may include items such as tickets to sporting events, meals and other entertainment, as well as attendance at educational or information conferences, transportation,

logo items and other smaller value gifts. The receipt of such gifts might be viewed as a conflict of interest for us in selecting broker-dealers and other service providers. Senator's policies prohibit employees from accepting high value gifts or excessively lavish entertainment from any person or entity that does or seeks to do business with Senator or its clients. Employees are required to pre-approve and/or report gifts exceeding certain thresholds.

Trade Errors. Errors might occur in the normal course of business despite the best efforts of Senator to prevent them. It is the policy of Senator to review errors that it discovers, on a case by case basis, and decide what corrective steps to take, if any. After review by a Senator principal, Senator may charge any expenses incurred as a result of these errors to the applicable client, provided that gross negligence on the part of Senator was not the cause of the error.

Directed Brokerage. Senator does not have client-directed brokerage arrangements.

Aggregation of Orders. The same investment decision may be made for more than one Fund managed by Senator. In such circumstances, in the event that purchase and sell orders of the same class of security are occurring at the same time for multiple Funds, the orders may be combined for the purpose of seeking best execution for each participating Fund. An order that is partially filled, will, as a general matter, be allocated pro-rata in proportion to each participant's original order or account size. Notwithstanding, additional factors may cause deviations from Senator's general trade allocation methodology.

Item 13

Review of Client Accounts

Senator performs various daily, weekly, monthly, quarterly and periodic reviews of each client's portfolio. Such reviews are conducted by Senator's Co-Chief Investment Officers, Chief Risk Officer, research analysts, and members of the operations and compliance teams. Senator reviews the Funds and other clients' current investments and discuss potential investment opportunities. Investors in the Funds receive monthly account statements from the Funds' administrator. Generally, investors in the Funds will also receive unaudited exposure and performance information on a monthly basis, and a written update on Senator's activity on a quarterly basis. Senator generally provides audited financial statements prepared in accordance with GAAP to its investors on an annual basis, within 120 days of the applicable Fund's fiscal year end.

Item 14

Client Referrals and Other Compensation

Neither Senator nor any related person directly or indirectly compensates any person who is not a supervised person, for client referrals, provided however, Senator has in the past, and may again in the future, enter into a placement agreement with a placement agent, pursuant to which the placement agent will agree to introduce potential investors to the Funds. Pursuant to the terms of such placement agreement, Senator may pay the placement agent a placement fee equal to a percentage of management fees borne by each investor introduced to a Fund by the placement agent. In the event that a placement agent introduces potential investors to the Funds, a written disclosure document will be provided to referred investors describing, among other things, the compensation

arrangement between Senator and the placement agent and all material conflicts of interest. In such instances, referred investors should ensure that they receive and read the disclosure document from the placement agent.

Item 15

Custody

Senator is deemed, under Rule 206(4)-2 (the “**Custody Rule**”), to have custody of certain client assets as a result of activities engaged in and authority granted to it as an investment adviser or the fact that affiliates act as general partners to certain of the Funds.

Funds and securities owned by the Funds (or co-investment vehicles) over which Senator has custody are held by qualified custodians, subject to limited exceptions for certain private securities. Senator has also developed procedures designed to safeguard and protect client assets. Such procedures include, among other things, the separation of certain administrative functions and dual signatory approvals for distributions of Fund capital.

For Funds (or co-investment vehicles) for which Senator is deemed to have custody under the Custody Rule, Senator complies with the pooled vehicle annual audit exception. Accordingly, these Funds are subject to an annual audit and the audited financial statements are distributed to each investor. The audited financial statements are prepared in accordance with U.S. generally accepted accounting principles and are to be provided to investors within 120 days of the Funds’ (or co-investment vehicles’) fiscal-year ends.

Item 16

Investment Discretion

Senator maintains the authority to manage the Funds (and as applicable, certain co-investment vehicles) on a discretionary basis in accordance with the terms set forth in the applicable governing documents. Senator or an affiliate of Senator entered into an investment management agreement, or similar agreement, with each Fund (or applicable co-investment vehicle), pursuant to which Senator or an affiliate of Senator was granted discretionary trading authority. Generally, Fund investors may not impose any limits on Senator’s discretionary authority.

Item 17

Voting Client Securities

Senator has adopted proxy voting policies and procedures to guide its exercise of this responsibility on behalf of the Funds. Senator utilizes a third-party service provider, Glass Lewis, to assist Senator with respect to proxy votes. The final decision on how to vote a proxy generally is made in accordance with the recommendations of Senator analysts and Co-Chief Investment Officers, who may rely on information and recommendations from other employees or service providers. The analysts and Co-Chief Investment Officers may consult with the CCO regarding voting decisions and the completion of the proxy material. Decisions are based on a number of factors which may vary depending on a proxy’s subject matter, but the overall objective is to vote proxies in the best

interest of the Funds and, in so doing, to maximize the value of the investments made by the Funds taking into consideration the Funds' investment horizons and other relevant factors.

A conflict of interest occurs where Senator or any of its employees or affiliates has a direct or indirect economic stake in the outcome of a proxy vote. Additionally, different Funds could have conflicting interests in regard to the outcome of a vote. Potential conflicts could arise in a number of situations. Due to the close monitoring of company activities by Senator, we expect to be aware of any potential conflicts of interest that may arise. We also require the Co-Chief Investment Officers to disclose any personal conflicts of interest they may have with respect to overseeing a Fund's investment in a particular company. When a potential conflict arises between Senator on the one hand and one or more of our Funds on the other, the CCO, in consultation with the Co-Chief Investment Officers, will evaluate the matter to determine whether an actual conflict exists. Where an actual conflict exists, Senator will take necessary and appropriate steps to eliminate the conflict, which may include removing one of the Co-Chief Investment Officers from the voting process or taking similar actions. In addition, we may consider the following as potential methods for resolving conflicts: (i) disclosing the matter to the board of directors, if any, of the Funds and obtaining such board's consent or direction, or (ii) suggesting to the board of directors, if any, that such board hire a third party to make a determination on how to vote a particular proxy. Finally, situations may arise in which more than one Fund invests in the same company or another entity of Senator invests in the same company. In these situations, two or more Funds may have different investment objectives, client-specific voting policies or ultimate economic interests. In these situations, Funds may cast opposing votes, although the Co-Chief Investment Officers will generally consult with the CCO before doing so. Senator's Proxy Voting Policy as well as a record of its proxy votes, are available upon request.

Item 18

Financial Information

Senator is not required to include a balance sheet for its most recent fiscal year, is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to clients, and has not been the subject of a bankruptcy petition at any time during the past ten years.