

**ITEM 1  
COVER PAGE**

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**PART 2A OF FORM ADV: FIRM BROCHURE**

ELECTRON CAPITAL PARTNERS, LLC

March 22, 2023

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*This brochure provides information about the qualifications and business practices of Electron Capital Partners, LLC ("Electron," "Adviser," "we," "us" or "our"). If you have any questions about the contents of this brochure, please contact us at 212-554-1800 or [investors@Electroncapital.com](mailto:investors@Electroncapital.com). 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.*

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

*Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.*

*This brochure does not constitute an offer to sell or the solicitation of an offer to purchase any securities of any entities described herein.*

## **ITEM 2**

### **MATERIAL CHANGES**

This brochure serves as an update to our other than annual amendment dated on October 4, 2022. There were no material changes to the business activities of Electron since the most recent amended filing.

**ITEM 3**  
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## ITEM 4

### ADVISORY BUSINESS

#### A. General Description of Advisory Firm.

Electron Capital Partners, LLC (“*Electron*,” “*Advisor*,” “*we*,” “*us*” or “*our*”) is a Delaware limited liability company and has been in business since April 2012. We provide Investment Advisory Services (as defined below) to privately offered pooled investment vehicles (the “*Electron Funds*”) and sub-advisory services to pooled investment vehicles that include privately placed funds exempt from registration under the Investment Company Act of 1940, as amended (the “*Company Act*”), and European registered investment companies (Undertakings for Collective Investment in Transferable Securities or “*UCITS*”) (each, a “*Fund*” and collectively, the “*Funds*”). Electron is owned by James “Jos” Shaver, the portfolio manager of Electron and its managing partner, and Electron Principals (IM), LLC, a Delaware limited liability company (“*Electron Principals (IM)*”). Electron Principals (IM) is owned by Mr. Shaver, who also serves as its managing partner, and by Ran Zhou, Neil Choi and Zhe Zheng (collectively with Mr. Shaver, the “*Partners*”).

Electron has an advisory agreement with a domestic feeder fund, Electron Global Fund, L.P. (the “*Global - Domestic Fund*”), an offshore feeder fund, Electron Global Fund, Ltd. (the “*Global - Offshore Fund*”), and together with the Global - Domestic Fund and Global - Offshore Fund, (the “*Global - Feeder Funds*”) and an offshore master fund, Electron Global Master Fund, L.P. (the “*Global - Master Fund*”), and together with the Global - Feeder Funds, (the “*Electron Global Funds*”). The Global - Feeder Funds invests all or substantially all of their assets in the Global - Master Fund. Electron GP, LLC, a Delaware limited liability company (“*Electron GP*”) and an affiliate of Electron, serves as the general partner of the Global - Domestic Feeder Fund and the Global - Master Fund. Electron GP is owned by Mr. Shaver, who serves as its managing partner, and Electron Principals (GP), LLC, which is also owned by the Partners, with Mr. Shaver serving as its managing partner.

Electron also has an advisory agreement with a domestic feeder fund, Electron Infrastructure Fund, L.P. (the “*Infrastructure - Domestic Fund*”), an offshore feeder fund, Electron Infrastructure Fund, Ltd. (the “*Infrastructure - Offshore Fund*”); and together with the Infrastructure - Domestic Fund, (the “*Infrastructure - Feeder Funds*”) and an offshore master fund, Electron Infrastructure Master Fund, L.P. (the “*Infrastructure - Master Fund*”), and together with the Infrastructure - Feeder Funds, (the “*Electron Infrastructure Funds*”). The Infrastructure - Feeder Funds invest all or substantially all of their assets in the Infrastructure - Master Fund. Electron Infrastructure GP, LLC, a Delaware limited liability company (“*Electron Infrastructure GP*”) and an affiliate of Electron, serves as the general partner of the Infrastructure - Domestic Fund, and the Infrastructure - Master Fund. Electron Infrastructure GP is owned by Mr. Shaver, who serves as its managing partner, and Electron Principals (GP), LLC, which is also owned by the Partners, with Mr. Shaver serving as its managing partner.

Additionally, Electron has an advisory or sub-advisory agreement with each of Boothbay Absolute Return Strategies, LP (the “*Boothbay Fund*”), AGR Trading SPC Series EC Segregated Portfolio (the “*AGR Fund*”), K2 Electron Liquid Global Master Fund, Ltd. (the “*K2 Fund*”), Franklin Templeton Alternative Funds - Franklin K2 Electron Global UCITS Fund (the “*K2 UCITS Fund*”), Franklin Templeton Investment Funds - Franklin K2 Alternative Strategies Fund (the “*K2 UCITS - Multi Fund*”), Franklin Alternative Strategies Fund - Franklin K2 Alternative Strategies Fund (the “*K2 40 Act Fund*”), JPMorgan Funds - Multi-Manager Alternatives Fund (the “*JPMF MMAF UCITS Funds*”), J.P. Morgan Alternative Asset Management, Inc. Opportunistic Access Master Fund, L.P. (the “*JPM OPP Fund*”) and UBS Asset Management (Americas) Inc. Pace Select Advisors Trust (40 ACT) (the “*UBS PACE 40 Act Fund*”) together with the Boothbay Fund, the AGR Fund, the K2 Fund, the K2 UCITS Fund, the K2 UCITS - Multi Fund, the K2 40 Act Fund, the JPMF MMAF UCITS Fund, the JPM OPP Fund and the UBS PACE 40 Act Fund (the “*Advisory Accounts*”) and together with the Electron Global Funds and Electron Infrastructure Funds, (the “*Funds*”), to serve as an adviser or sub-adviser to each of the

Boothbay Fund, the AGR Fund, the K2 Fund the K2 UCITS Fund, the K2 UCITS - Multi Fund, the K2 40 Act Fund, the JPMF MMAF UCITS Fund, the JPM OPP Fund and the UBS PACE 40 Act Fund. Boothbay Fund Management, LLC is the investment manager of the Boothbay Fund, AC Investment Management, LLC is the investment manager of the AGR Fund, K2/D&S Management Co., L.L.C. is the investment manager of the K2 Fund, the K2 UCITS Fund, the K2 UCITS - Multi Fund and the K2 40 Act Fund, J.P. Morgan Alternative Asset Management, Inc. is the investment manager for the JPMF MMAF UCITS Fund and the JPM OPP Fund and UBS Asset Management (Americas) Inc. is the investment manager for the UBS PACE 40 Act Fund..

Electron's investment program mainly focuses on long and short investments primarily in publicly traded equity securities in the clean energy, infrastructure, transitioning utility companies seeking to maximize absolute returns and limit volatility through active risk management and global utility sectors (including, but not limited to, electric, gas and water utilities and independent power companies), utility service and fuel providers, utility equipment manufacturers (including, but not limited to, renewable and energy technology companies) and related sectors.

B. Description of Advisory Services.

As an investment adviser, we are responsible for sourcing potential investments, conducting research and due diligence on potential investments, analyzing investment opportunities, and monitoring investments on behalf of the Funds. We also provide certain administrative services to the Funds or arrange for such services to be provided by a third party. We refer to all of these services as "*Investment Advisory Services*." We generate all of our advisory fees from Investment Advisory Services.

We tailor the Investment Advisory Services we offer to the individual needs and specified investment mandates of the Funds. For advisory Funds that we sponsor and control, we adhere to the investment strategy set forth in each such Fund's Private Placement Memorandum. The investment management agreement with each of the Funds' provides us broad discretion in pursuing the Funds' investment objective and does not require us to tailor our services to the needs of specific underlying investors of these Funds. The foregoing is subject to the provisions of the relevant investment management agreement or similar agreement (an "*IMA*"), offering memoranda, or organizational documents (together with the IMA and the offering memoranda, the "*Agreements*").

**The descriptions set forth in this brochure of specific advisory services that we offer to Funds, and investment strategies pursued and investments made by us on behalf of the Funds, 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 Fund's investment objectives and guidelines. The investment strategies we pursue are speculative and entail substantial risks. Funds should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any Funds will be achieved.**

C. Availability of Customized Services for Individual Clients.

Our investment decisions and advice with respect to each Fund are subject to such Fund's investment objectives and guidelines, as set forth in its Agreement. Investment decisions will be made based on the investment objectives and restrictions of the Funds.

D. Wrap Fee Programs.

We currently do not participate in any wrap fee programs.

E. Assets Under Management.

As of December 31, 2022, we managed approximately \$3,463,565,863 in client assets on a discretionary basis and \$0 of client assets on a non-discretionary basis.

Please see Items 6 (Performance-Based Fees and Side-by-Side Management), 8 (Methods of Analysis, Investment Strategies and Risk of Loss), 10 (Other Financial Industry Activities and Affiliates) and 14 (Client Referrals and Other Compensation).

## ITEM 5 FEES AND COMPENSATION

### A. Advisory Fees and Compensation.

We and/or our affiliates receive management fees and performance-based incentive fees/allocation (each, a “*Fee*” and collectively, “*Fees*”) for the Investment Advisory Services we provide to our Funds in accordance with the terms set forth in the relevant Agreements. All Fees for the Funds are disclosed in the relevant Fund’s Agreements, which are provided to prospective investors in the Electron Funds. A brief summary of such Fees is set forth below.

In general, the standard fee schedule for Electron’s Investment Advisory Services and sub-advisory services ranges from approximately 0-2.0% annually with respect to the management fee. The incentive allocation is approximately 0-20%, which is calculated annually subject to a high water mark, as set forth in the relevant Fund’s Offering Documents. Such Fees may vary as further set forth in the relevant Fund’s Agreements.

The Funds’ general partner or the board of directors, as applicable and in their sole discretion, has and may in the future elect to reduce, waive or calculate differently the management fee and/or incentive allocation with respect to certain capital accounts or shares, respectively, including, without limitation, capital accounts or shares, as applicable, held by limited partners or shareholders, respectively, that are affiliates or employees of Electron, members of the immediate families of such persons, and trusts or other entities primarily for their benefit or for charitable purposes.

We structure any performance-based incentive fees/allocation in accordance with Section 205(a)(1) of the Investment Advisers Act of 1940, as amended (the “*Advisers Act*”) and the rules and regulations set forth thereunder.

### B. Payment of Fees.

The applicable Agreements govern the terms of compensation and the manner in which we are compensated by each Fund. Subject to the terms of the Agreements, Fees are generally paid one of two ways. Fees are either deducted from the Funds’ assets as such Fees are incurred or the Advisory Accounts are billed and remit payment to Adviser. Our base management fees are paid monthly in arrears. Incentive allocations are crystalized annually. Fees are generally prorated for partial periods.

### C. Additional Fees and Expenses.

The Funds will bear their own applicable expenses (and, in respect of the Electron Funds, their pro rata share of the corresponding Master Fund’s expenses), including the management fee; investment expenses (e.g., expenses that, in the our sole discretion, are related to the investment of the Funds’ respective assets, whether or not such investments are consummated, such as brokerage commissions, expenses relating to short sales, pay-to-hold fees, clearing and settlement charges, custodial fees, bank service fees and interest expenses); investment-related travel expenses (which are travel expenses related to the purchase, sale, monitoring or transmittal of the Funds’ investments incurred by Electron or any other person on behalf of Electron); professional fees (including expenses of consultants, investment bankers, attorneys, accountants and other experts) relating to investments and generally to Fund operations; fees and expenses relating to software tools, programs or other technology utilized in managing the (including third-party software licensing, implementation, data management and recovery services and custom development costs); research and market data (including any computer hardware and connectivity hardware (e.g., telephone and fiber optic lines) incorporated into the cost of obtaining such research and market data); administrative expenses (including fees and expenses of the administrator); legal and compliance expenses (e.g., costs associated with preparation of regulatory filings relating to the investments of the Fund or to Fund activities); regulatory expenses (including

filing fees); external accounting and valuation expenses and the cost of accounting software packages; audit and tax preparation expenses; costs related to errors and omissions insurance for Electron; costs of printing and mailing reports and notices; costs of establishing and maintaining a website for investors; entity-level taxes; corporate licensing; organizational expenses; expenses incurred in connection with the offering and sale of the Interests and other similar expenses related to the Funds; indemnification expenses; and extraordinary expenses.

Other than the management fee and incentive allocation, we do not receive any portion of these charges, fees, and expenses and will not receive a brokerage commission or other compensation attributable to the sale of a security or other investment product. For an in-depth discussion of the factors that we consider in selecting or recommending broker-dealers for Fund transactions and determining the reasonableness of commissions and compensation for such broker-dealers, please see Item 12, “*Brokerage Practices -- Selection of Broker-Dealers and Reasonableness of Compensation*” below.

D. Additional Compensation and Conflicts of Interest.

Neither Electron nor any of its personnel receives a brokerage commission or any other compensation attributable to the sale of securities or investment products.

E. Sales Charges

N/A

Please see Items 6 (Performance-Based Fees and Side-by-Side Management), 10 (Other Financial Industry Activities and Affiliations) and 12 (Brokerage Practices).



## **ITEM 6**

### **PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

As noted in Item 5, “*Fees and Compensation*” above, Electron and its affiliates are eligible to receive performance-based fees/allocation from some of the Funds that Electron manages, which are based upon the aggregate realized and unrealized net capital appreciation attributable to investments in the Funds.

As a result, Electron and its affiliates may have an incentive to invest assets in client accounts where Electron and its affiliates are eligible to receive performance-based fees/allocation over accounts that do not provide a performance-based fee/allocation. To address this potential conflict of interest, investments to the Funds are generally allocated on a pro rata basis based on capital size and within Electron’s trading guidelines. Additionally, Electron has implemented policies and procedures in an effort to address, mitigate or assess conflicts of interest, including; a code of ethics, an investment allocation policy, exposure dispersion review between the Funds that pay a performance-based fee/allocation compared to the Funds that do not pay a performance-based fee/allocation and disclosure of these conflicts in this Brochure. While Electron seeks to prevent or detect and disclose the occurrence of conflicts, there is no guarantee that our policies will reveal all situations in which a conflict may occur.

## **ITEM 7**

### **TYPES OF CLIENTS**

We currently provide Investment Advisory Services and sub-advisory services to pooled investment vehicles including privately placed funds, 1940 Act and UCITS, collectively the “Funds,” although we may provide investment advice and/or other advisory services to other clients in the future, including other pooled investment vehicles and separately managed accounts. The minimum subscription amounts for investing in the Electron Funds is \$1,000,000, subject to the general partner’s or the board of directors’ (as applicable) sole discretion to accept subscriptions of a lesser amount. Such minimum investment thresholds are disclosed in the relevant Fund’s offering memorandum.

## **ITEM 8**

### **METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

#### **A. Methods of Analysis and Investment Strategies.**

##### **Investment Strategies of the Global Funds**

The Global Funds' investment objective is to achieve absolute returns through long and short investments primarily in publicly traded equity securities in the clean energy, infrastructure, transitioning utility companies seeking to maximize absolute returns and limit volatility through active risk management and global utility sectors (including, but not limited to, electric, gas and water utilities and independent power companies), utility service and fuel providers, utility equipment manufacturers (including, but not limited to, renewable and energy technology companies) and related sectors.

##### **Investment Strategies of the Infrastructure Funds**

The Infrastructure Funds' investment objective is to achieve absolute returns long investments primarily in publicly traded equity securities in the clean energy, infrastructure, transitioning utility companies seeking to maximize absolute returns and limit volatility through active risk management and global utility sectors (including, but not limited to, electric, gas and water utilities and independent power companies), utility service and fuel providers, utility equipment manufacturers (including, but not limited to, renewable and energy technology companies) and related sectors.

##### **Methods of Analysis and Investment Strategies Process**

Our Methods of Analysis and Investment Strategies process starts with a focus on structural change and we embrace the myriad of utility markets' differences around the globe because, we believe, this approach leads to the most attractive alpha opportunities. We allocate capital dynamically to what we believe are the most attractive alpha opportunities in the global utility industry. As a result, although the Funds are individual funds, it provides the diversification benefit of relatively uncorrelated regions and concentration in the globe's most attractive alpha opportunities.

Although some of these structural changes happen in days or weeks, such as fuel cost pass-through adjustments, others will take years to implement, for example, new capacity payment structures. Because of the sector's high earnings visibility, however, we generally do not have to wait until a particular structural change occurs for a thesis to play out. Utilities often have earnings visibility 2-3 years out (including Wall Street estimates) which is in contrast to other sectors (*e.g.*, tech) which often times do not have 2-3 quarters of visibility. As such, utility stock prices (and Wall Street's estimates) will generally begin to discount even some of the longer dated structural changes as clarity surfaces in the early stages. Therefore, we believe, there is a distinct competitive advantage for those who have an early understanding of such structural changes and the resulting earnings impact on affected utilities. We therefore focus our efforts on discerning the structural change opportunity early in an effort to come up with a view before it becomes obvious to the broader market.

Moreover, there are often several opportunities over an extended time period to trade the same structural change as numerous stakeholders (*e.g.*, government, regulator, company, customers, et al.) involved in the process distort market perceptions of the final outcome.

The Funds' investment programs are speculative and entail substantial risks. There can be no assurance that the investment strategies described herein will allow the Funds to achieve their investment objectives. In fact, the investment techniques that we employ from time to time can, in certain circumstances, substantially increase the adverse impact that market fluctuations have on the Funds' investment portfolio. Accordingly, the Funds' activities could result in substantial losses under certain circumstances.

## B. Material, Significant, or Unusual Risks Relating to Investment Strategies.

Our dedication to the rigorous management of risk within and across subsets of our portfolio is designed to identify and appropriately address the sorts of risk inherent in the types of transactions in which we participate. However, despite our risk management process, investing in any securities involves a risk of loss that all of our investors must be prepared to bear.

Prospective investors should carefully consider the risks involved in an investment in the Funds, including, but not limited to, those discussed below. Prospective investors should consult their own legal, tax, and financial advisers as to all of these risks and as to an investment with the Funds generally.

### **Market Risks**

Risk of Loss. An investment in the Funds is speculative and involves significant risk. The profitability of the Funds ultimately depends upon Electron correctly assessing the future price movements of the securities, commodities and other financial instruments in which the Funds invest as well as the movement of interest rates. Such price movements may be volatile and are subject to numerous factors which are neither within the control of nor predictable by Electron. Such factors include, without limitation, a wide range of economic, political, competitive, market, legal, operational and other conditions or events (including, without limitation, natural disasters, acts of terrorism or war) which may affect investments in general or a specific security, commodity or other financial instrument in which the Funds invest. There can be no assurance that Electron will be successful in accurately predicting price movements. Accordingly, investors may incur substantial losses on their investments in the Funds, and it is possible that the Funds' performance will fluctuate substantially from period to period.

Competition. The securities industry, the various markets in which the Funds participate and the varied strategies and techniques engaged in by Electron are extremely competitive and each involves a high degree of risk. The Funds and Electron compete with firms, including, without limitation, many of the larger securities and investment banking firms, which have substantially greater financial resources, larger research staffs and more traders than Electron has or expects to have in the future, which may place the Funds at a competitive disadvantage.

Market Volatility. As a general matter, the prices of certain of the assets in which the Funds invest have recently exhibited high volatility in line with the heightened volatility and fluctuations of global capital markets. Price movements of these assets may be influenced by, among other things, interest rates, credit trends, changing supply and demand relationships, regulatory changes and fiscal and monetary programs and policies of governments. There can be no assurance that Electron will be successful in accurately predicting price and interest rate movements despite efforts to identify and, if applicable, hedge such risks.

Failure of Brokerage Firms. U.S.-registered broker-dealers that may carry the accounts of the Funds generally segregate all customer funds to be allocated to listed securities trading in compliance with SEC and FINRA regulations. If such assets were not so segregated, the Funds would be subject to the risk of the failure of the broker. Even given proper segregation, in the event of the insolvency of the broker, the Funds may be subject to a risk of loss of their funds and may be able to recover only a *pro rata* share (together with all other securities customers of such broker) of their respective assets, such as U.S. Treasury bills, specifically traceable to the Funds' accounts. In broker insolvencies, customers have, in fact, been unable to recover from the broker's estate the full amount of their "customer" funds. In addition, under certain circumstances, such as the inability of another client of the broker or the broker itself to satisfy substantial deficiencies in such other client's account, a customer (including the Funds) may be subject to a risk of loss of their funds on deposit with a broker-dealer, even if such funds are properly segregated. In the case of any such bankruptcy or loss, the Funds might recover, even in

respect of property specifically traceable to it, only a *pro rata* share of all property available for distribution to all of the broker's clients. The Funds may trade with or hold accounts at foreign broker-dealers registered under the laws and regulations of other countries. Such brokers and/or dealers may not be subject to the same or similar customer fund regulations (including, without limitation, customer segregation requirements) as those existing in the United States. The financial failure of the parties with which the Funds trade in OTC markets could also result in substantial losses, as the Funds will deal with such persons as principal and there is no requirement that such parties segregate counterparty funds held by them in respect of such trading. Further, the Funds are subject to additional risks where it is a party to a securities lending arrangement and the counterparty to the arrangement becomes insolvent and/or defaults on their obligations, including, without limitation, the risk that collateral will not be returned and/or repurchased or the Funds will not be permitted to exercise their remedies in accordance with the provisions of the relevant securities lending agreement.

Electronic Trading Facilities. The Funds, in their trading activities, in the sole and absolute discretion of Electron, make use of electronic trading and/or communication networks. Most electronic trading facilities are supported by computer- (including, without limitation, internet-) based component systems for the order-routing, execution, matching, registration or clearing of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure. Trading on an electronic trading system may differ not only from trading in an open-outcry market or telephonic market but also from trading on other electronic trading systems. The Funds, in undertaking transactions on an electronic trading system, will be exposed to risk associated with the system, including, without limitation the failure of hardware and software. The result of any system failure may be that a trade order is either not executed according to its instructions or not executed at all. The Funds' ability to limit or recover certain losses may be subject to limits on liability imposed contractually or by, without limitation, foreign or domestic law or regulation, the Funds' own or their brokers' internet service provider, other systems providers, market factors, foreign or domestic banking or other market regulations and/or telephonic or other communications providers.

Leverage. The Funds retains the right to utilize leverage, and does so through direct borrowing, short selling, options and other instruments (including, without limitation, derivatives) and arrangements with embedded leverage. While strategies, techniques and instruments that employ leverage increase the opportunity to achieve higher returns on the amounts invested, they also increase the risk of loss. If the Funds use leverage with respect to a position, any losses would be more pronounced than if leverage were not used, and a relatively small price movement in a security or other financial instrument may result in immediate and substantial losses to the Funds, including, without limitation, losses in excess of the amount invested. The level of interest rates generally, and the rates at which such funds may be borrowed in particular, could affect the operating results of the Funds. In addition, the lender or counterparty, as the case may be, may have a security interest in, or otherwise acquire, all or a portion of the Funds' assets. In the event that the Funds default under any such arrangement, such lender or counterparty may have the right to become or remain the owner of all or that portion of the Funds' assets secured pursuant to such arrangement. If such arrangement is terminated, the Funds' ability to meet their investment objectives may be adversely impaired. The Funds will bear all of the costs and expenses incurred in connection therewith, including, without limitation, any interest expense charged on funds borrowed or otherwise accessed.

In addition, certain securities, commodities and other financial instruments which the Funds acquire may incorporate a certain, and sometimes high, degree of embedded leverage. Accordingly, even if not leveraged in the sense of being acquired with borrowings, the Funds may have highly leveraged exposure to certain securities, commodities and other financial instruments it acquires.

Liquidity. Investments that are made by the Funds may lack liquidity or be thinly traded. This could present a problem in realizing the prices quoted and in effectively trading the position(s). The Funds may invest in less liquid investments which could result in significant loss in value should the Funds be

forced to sell the less liquid investments as a result of rapidly changing market conditions or as a result of margin calls or other factors. In certain circumstances, the Funds may also be contractually prohibited from disposing of investments for a specified period of time. Accordingly, the Funds may be forced to sell their more liquid positions at a disadvantageous time, resulting in a greater percentage of the portfolio consisting of less liquid investments.

The disposition of less liquid investments often requires more time and results in higher transaction costs than the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale.

Accuracy of Public Information. Electron selects investments for the Funds, in part, on the basis of information and data filed by issuers with various government regulators or made directly available to Electron by the issuers or through sources other than the issuers. Although Electron evaluates all such information and data and may seek independent corroboration when Electron considers it appropriate and reasonably available, Electron is not in a position to confirm the completeness, genuineness or accuracy of such information and data and, in some cases, complete and accurate information is not available.

Concentration of Holdings. At any given time, the Funds' assets may become highly concentrated within a particular company, industry, asset category, trading style or financial or economic market, and are expected to become highly concentrated in the utilities sector. In such event, the Funds' portfolios will be more susceptible to fluctuations in value resulting from adverse economic conditions affecting the performance of that particular company, industry, asset category, trading style or financial or economic market, than a less concentrated portfolio would be. As a result, if the Funds' investment portfolios become concentrated, their aggregate return may be volatile and may be affected substantially by the performance of only one or a few holdings. Electron is not obligated to hedge the Funds' positions. Nonetheless, it is anticipated that the Funds would limit specific industry and company concentration risk.

Social and Environmental Impact Investments; Impact and ESG Reporting. Electron Funds focusing on social and environmental impact investments and companies seeking ESG related solutions, including growth equity investments, involve a number of material risks including (but not limited to) the risks discussed below. Electron Funds focused on social and environmental impact investments are subjected to a variety of risks, not all of which can be foreseen or quantified. When evaluating potential investment opportunities, in addition to financial return, an investment's potential to achieve a positive social or environmental impact will be considered. As a result, the opportunity set for potential investments will necessarily be smaller than it would otherwise be if Electron Funds were seeking to make investments solely on the basis of financial returns, and the relevant Electron GP may forgo opportunities that are attractive from a financial perspective if they do not also meet the Electron Funds social and environmental impact criteria. In addition, although Electron believes that pursuing positive social and environmental impact should not negatively affect an investment's financial returns, and it can even enhance a company's profitability, it is possible that a company's dual focus on financial success and positive social and environmental impact may from time to time require it to make decisions that favor one goal at the expense of the other. Any determination about whether or not a potential investment is expected to produce a positive social or environmental impact will be made in the Electron GP's sole discretion. The determination about what constitutes a positive social impact is inherently subjective, and what Electron considers to be socially beneficial may not necessarily reflect the views of all prospective investors. In addition, it is possible that the companies in which the Electron Funds invest are unable to obtain or realize the positive social or environmental impact that they seek to deliver.

Utility Industry Risks. The Funds' investment portfolios contain a high proportion of securities in the global utility sector, utility services providers and utility equipment manufacturers. The risks associated with the long side of the portfolio of electric utility companies include, but are not limited to, those involving the construction, operation and licensing of nuclear power plants, including the risk of nuclear accident. The market value of the stock of electric and gas utility companies also may be adversely affected by inadequate rate increases from regulatory agencies. Conversely, the short side of the portfolio is subject to different risks, which might cause the price of the securities to rise, such as, among other things, higher than expected dividends, unexpectedly positive regulatory changes, merger, takeover or acquisition and lower interest rates. Other risks of electric and gas utilities include, but are not limited to, their sensitivity to changes in interest rates and commodity prices, their continuing requirements for raising additional capital and their obligation to comply with environmental and other governmental mandates.

Infrastructure-Related Companies Risk. The Funds' investment portfolios contain a high proportion of securities in the global infrastructure sector. Infrastructure-related businesses are subject to a variety of factors that may adversely affect their business or operations. The risks associated with the infrastructure sector may include high interest costs in connection with capital construction programs, costs associated with environmental regulations, the effects of economic slowdown and surplus capacity, increased competition, costs or uncertainties related to governmental regulation, uncertainties concerning availability of fuel at reasonable prices, the effects of energy conservation policies and other factors. Other infrastructure related risks may include risk that infrastructure projects may be interrupted by or otherwise affected by unforeseen events such as natural disasters (e.g., fire, floods, earthquakes, typhoons), man-made disasters (e.g., terrorism), defective design and construction, negative perceptions about toll rates, general economic conditions, labor disputes, and other unforeseen circumstances and incidents.)

Equity Securities. The Funds invest in equities and equity derivatives. The value of these instruments generally varies with the performance of the issuer and movements in the equity markets. As a result, the Funds may suffer losses if they invest in equity instruments of issuers whose performance diverges from Electron's expectations or if equity markets generally move in a single direction and the Funds have not hedged against such a general move. In their equity derivatives, the Funds are exposed to risks that issuers will not fulfill their contractual obligations to the Funds, such as, for example, delivering marketable common stock upon conversions of convertible securities and registering restricted securities for public resale.

Preferred and Hybrid Securities. The Funds may invest in preferred stock and hybrid securities, which may have special risks. Preferred and hybrid securities may include provisions that permit the issuer, at its discretion, to defer distributions for a stated period without any adverse consequences to the issuer. If the Funds own a preferred or hybrid security that is deferring its distributions, the Funds may be required to report income for tax purposes even though it has not yet received such income. Some preferred and hybrid securities are non-cumulative, meaning that the dividends do not accumulate and need not ever be paid.

There is no assurance that dividends or distributions on non-cumulative preferred securities in which the Funds invest will be declared or otherwise made payable or paid. Preferred and hybrid securities are subordinated to bonds and other debt instruments in an issuer's capital structure in terms of priority to corporate income and liquidation payments and, therefore, will be subject to greater credit risk than more senior debt instruments. Because preferred stock and hybrids are generally junior to debt securities and other obligations of the issuer, deterioration in the credit quality of the issuer will cause greater changes in the value of such instruments than senior debt securities with similarly stated yield characteristics. Preferred and hybrid securities may be substantially less liquid than many other securities, such as common stocks or U.S. government securities.

Convertible Securities. The Funds may invest in convertible securities. Convertible fixed income securities generally offer lower interest or dividend yields than non-convertible securities of similar quality. As with all fixed income securities, the market values of convertible securities tend to decline as interest rates increase and, conversely, to increase as interest rates decline. However, when the market price of the common stock underlying a convertible security exceeds the conversion price, the convertible security tends to reflect the market price of the underlying common stock. As the market price of the underlying common stock declines, the convertible security tends to trade increasingly on a yield basis and thus may not decline in price to the same extent as the underlying common stock. Convertible securities rank senior to common stocks in an issuer's capital structure and consequently entail less risk than the issuer's common stock. The Funds may invest in convertible securities of any maturity and will determine whether to hold, sell or convert any security in which it has invested, depending upon Electron's outlook for the market value for such security, the security into which it converts and/or other factors.

Relative Value and Arbitrage. The Funds may engage in various types of arbitrage and relative value trading strategies. These strategies are based on the apparent presence of pricing inefficiencies and the expectation that these anomalies will revert to historical averages over time. Certain types of arbitrage involve the purchase of an asset and the concurrent sale of that asset in a different market, the purchase of an asset and concurrent sale of a related asset, and yield curve arbitrage. Such strategies frequently require the use of leverage in order to profit from small pricing discrepancies between markets or related assets. A variety of factors may cause prices to diverge further, rather than converge, which may cause the Funds to sustain losses.

Mutual Funds and ETFs. An investment by the Funds in exchange-traded funds ("*ETFs*") generally presents the same primary risks as an investment in a mutual fund, which includes, among other things, general market risk. Specifically, the value of an investment in an ETF will go up and down with the prices of the securities in which the ETF invests. The prices of securities change in response to many factors, including, without limitation, the historical and prospective earnings of the issuer, the value of its assets, general economic conditions, interest rates, investor perceptions and market liquidity. In addition, ETFs may be subject to the following: (1) a discount of the ETF's shares to its net asset value; (2) failure to develop an active trading market for the ETF's shares; (3) the listing exchange halting trading of the ETF's shares; (4) failure of the ETF's shares to track the referenced index or basket of stocks; and (5) holding troubled securities in the referenced index or basket of stocks.

Small Companies. The Funds may invest a portion of their respective assets in securities of small and/or unseasoned companies with small market capitalization. While smaller companies generally have potential for rapid growth, they often involve higher risks because they may lack the management experience, financial resources, product diversification and competitive strength of larger companies. In addition, in many instances, the frequency and volume of their trading may be substantially less than is typical of larger companies. Such companies may not be well-known to the investing public, may not have significant institutional ownership and may have cyclical, static or only moderate growth prospects. As a result, the securities of smaller companies may be subject to wider price fluctuations. When making large sales, the Funds may have to sell portfolio holdings at discounts from quoted prices or may have to make a series of small sales over an extended period of time due to the lower trading volume of smaller company securities.

Smaller capitalization securities may be followed by relatively few securities analysts with the result that there tends to be less publicly available information concerning these securities compared to what is available for exchange-listed or larger companies. The securities of these companies may have limited trading volumes and may be subject to more abrupt or erratic market movements than the securities of larger, more established companies or the market averages in general, and the Funds may be required to deal with only a few market makers when purchasing and selling these securities. Transaction costs in smaller capitalization stocks may be higher than those for larger-capitalized



companies. It is anticipated that the Funds would limit investments in smaller-capitalization companies and would generally require higher risk-reward ratios.

Event-Driven Investments. The Funds may invest in companies involved in (or the target of) acquisition attempts or tender offers or in companies involved in or undergoing work-outs, liquidations, spin-offs or other catalytic changes or similar transactions. Investing in the securities of such companies, as well as certain distressed securities, will be subject to so-called “event risk”, *i.e.*, the risk that the transaction in question will simply fail to conclude as contemplated or will be delayed or modified in a manner detrimental to the Funds in the transaction. Numerous factors, including, without limitation market or industry developments, economic factors, regulatory clearance requirements and management or workforce issues, can cause an announced transaction to be abandoned, delayed or modified. Where a security to be issued in a proposed merger or exchange offer has been sold short by a Fund in the expectation that the short position will be covered by delivery of such security when issued, failure of the merger or exchange offer to be consummated may force a Fund to cover its short position in the market at a higher price than its short sale, resulting in a loss. These losses can be substantial. If a transaction is delayed significantly, the Funds’ capital may be committed to the transaction during the period of the delay and interest charges on funds borrowed to finance their investment in connection with the transaction may be incurred. These interest charges may be greater than the profit realized upon the disposition of the securities, in which case the Funds would realize a loss on the transaction.

Material, Nonpublic Information. From time to time, certain personnel of Electron and/or its affiliates may come into possession of material, nonpublic information that would limit the ability of the Funds to buy and sell investments. The Funds’ investment flexibility may be constrained as a consequence of Electron’s inability to take certain actions because of such information. The Funds may experience losses if they are unable to sell an investment that it holds because certain personnel of Electron have obtained material, nonpublic information about such investment.

Short Sales. The Funds sell securities short. Selling securities short risks losing an amount greater than the proceeds received. Theoretically, securities sold short are subject to unlimited risk of loss because there is no limit on the price that a security may appreciate before the short position is closed. In addition, the supply of securities that can be borrowed fluctuates from time to time. The Funds may be subject to losses if a security lender demands return of the lent securities and an alternative lending source cannot be found or if a Fund is otherwise unable to borrow securities that are necessary to cover their positions. Although the Funds may utilize short selling as a hedging technique, short selling may also be used for speculative purposes.

Options. Electron utilizes options in furtherance of its investment strategies. Option positions may include both long positions, where a Fund is the holder of put or call options, as well as short positions, where a Fund is the seller (writer) of an option. Although option techniques can increase investment return, they can also involve a higher level of risk compared with their underlying securities. For example, the expiration of unexercised long options effectively results in loss of the entire cost, or premium paid for the option. Conversely, the writing of an uncovered put or call option can involve, similar to short selling, a theoretically unlimited risk of an increase in a Fund’s cost of selling or purchasing the underlying securities, commodities or other financial instruments in the event of exercise of the option.

Hedging Transactions. Hedging involves special risks, including, without limitation, the possible default by the other party to the transaction, illiquidity and, to the extent Electron’s view as to certain market movements is incorrect, the risk that the use of hedging could result in losses greater than if such investment strategies had not been used. Electron utilizes financial instruments for risk management purposes. The success of the hedging strategy of the Funds will be subject to Electron’s ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolio being hedged. Because the

characteristics of many assets change as markets change or time passes, the success of the Funds' hedging strategy will also be subject to Electron's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While the Funds may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Funds than if it had not engaged in any such hedging transactions. For a variety of reasons, Electron may not seek to hedge certain portfolio holdings, or may not seek to establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Moreover, the portfolio may be exposed to certain risks that cannot be hedged.

When conducted outside the United States, hedging may not be regulated as rigorously as in the United States, may not involve a clearing mechanism and related guarantees and will be subject to the risk of governmental actions affecting trading in, or the prices of, foreign securities, currencies, commodities and other financial instruments. The value of positions taken as part of non-U.S. hedging also could be adversely affected by (i) other complex foreign political, legal and economic factors; (ii) lesser availability of data on which to make trading decisions than in the United States; (iii) delays in the Funds' abilities to act upon economic events occurring in foreign markets during non-business hours in the United States; (iv) the imposition of different exercise and settlement terms and procedures and margin requirements than in the United States; and (v) lower trading volume and liquidity.

Non-U.S. Investments. The Funds invests a portion of their respective assets in non-U.S. securities and interests denominated in non-U.S. currencies and/or traded outside of the United States, including, without limitation, emerging market securities and interests. Such investments require consideration of certain risks not typically associated with investing in securities traded in the United States or other assets. Such risks include, among other things, unfavorable currency exchange rate developments, restrictions on repatriation of investment income and capital, imposition of exchange control regulation, confiscatory taxation and economic or political instability in foreign nations. In addition, there may be less publicly available information about certain non-U.S. companies than would be the case for comparable companies in the United States, and certain non-U.S. companies may not be subject to accounting, auditing and financial reporting standards and requirements comparable to or as uniform as those of U.S. companies.

Emerging Markets. Investment in emerging market securities involves a greater degree of risk than an investment in securities of issuers based in developed countries. Among other things, emerging market securities investments may carry the risks of less publicly available information, more volatile markets, less strict securities market regulation, less favorable tax provisions, a greater likelihood of severe inflation, unstable currency, war and expropriation of personal property. In addition, the Funds' investment opportunities in certain emerging markets may be restricted by legal limits on foreign investment in local securities. Emerging markets generally are not as efficient as those in developed countries. In some cases, a market for the security may not exist locally, and transactions will need to be made on a neighboring exchange. Volume and liquidity levels in emerging markets are lower than in developed countries. When seeking to sell emerging market securities, little or no market may exist for the securities. In addition, issuers based in emerging markets are not generally subject to uniform accounting and financial reporting standards, practices and requirements comparable to those applicable to issuers based in developed countries, thereby potentially increasing the risk of fraud or other deceptive practices. Furthermore, the quality and reliability of official data published by government or securities exchanges in emerging markets may not accurately reflect the actual circumstances being reported.

Counterparty Creditworthiness and Risk. The Funds engage in transactions in securities, commodities and/or other financial instruments that involve counterparties, and no counterparty exposure limits have been imposed on these transactions. Under certain conditions, a counterparty to a transaction could default or the market for certain securities, commodities and/or other financial instruments may become illiquid. In addition, the Funds could suffer losses if there were a default or bankruptcy by third parties,

including, without limitation, brokerage firms and banks with which the Funds do business, or to which securities have been entrusted for custodial purposes.

The loan counterparties with which the Funds may effect transactions may not be subject to credit evaluation and regulatory oversight as are members of “exchange-based” markets. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, will not be available in connection with the Funds’ lending activities. This exposes the Funds to the risk that a counterparty will not settle a transaction in accordance with their terms and conditions because of a dispute over the terms of the contract (whether or not *bona fide*) or because of a credit or liquidity problem, thus subjecting the Funds to suffer a possible loss. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Funds have concentrated their transactions with a single or small group of counterparties. The Funds are not restricted from dealing with any particular counterparty or from concentrating any or all of their transactions with one counterparty. The ability of the Funds to transact business with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparties’ financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Funds. The Funds intend to diversify and mitigate counterparty risk as appropriate.

Derivative Instruments. The Funds invests capital with or through third parties through swaps, total return swaps and other derivative instruments. Electron may take advantage of opportunities with respect to certain other derivative instruments that are not currently contemplated for use or that are currently not available, but that may be developed, to the extent such opportunities are both consistent with their investment objectives and legally permissible. Special risks may apply to instruments that are invested in by the Funds in the future that cannot be determined at this time or until such instruments are developed or invested in by the Funds. Certain swaps, total return swaps and other derivative instruments may be subject to various types of risks, including, without limitation, market risk, liquidity risk, the risk of non-performance by the counterparty, including, without limitation, risks relating to the financial soundness and creditworthiness of the counterparty, legal risk and operations risk.

Futures. The Funds employ futures contracts, or options on such contracts, which involve the future purchase or sale of securities, commodities, financial instruments or market baskets of securities, such as various securities indices. Use of futures contracts and options thereon involve the contractual commitment to purchase or sell the underlying instrument at a future date. The eventual price of such instrument may be influenced by a broad variety of market, economic and issuer-specific events and risks, many of which may be difficult to predict or assess. Futures trading involve relatively small invested capital relative to risk exposure and therefore can increase, perhaps significantly, portfolio volatility and exposure to loss.

Cash settlement of expiring futures or option contracts typically are settled based on their “Special Opening Quotation”. Final settlement typically will occur on the morning following the last day of trading when all open positions will be marked to a Special Opening Quotation based on the opening values of the component stocks in the index, regardless of when those stocks open on expiration day. If a stock does not open on that day, its last sale price will be used in the Special Opening Quotation. Because the settlement quotation is computed on the basis of the opening trade prices and opening trades occur at different times in the morning, the Special Opening Quotation may or may not be within the cash index prices on expiration day. This may induce inaccuracies if the Special Opening Quotation differs from the close of the previous night, and therefore, the cash settlement price may be difficult to assess.

Swap Agreements. The Funds enters into swaps, total return swaps and other derivative instruments with or through third parties. Swap agreements can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Depending on their structure,

swap agreements may increase or decrease the Funds' exposure to long-term or short-term interest rates (in the United States or abroad), non-U.S. currency values, corporate borrowing rates or other factors such as security prices, baskets of equity securities or inflation rates. Swap agreements can take many different forms and are known by a variety of names. The Funds are not limited to any particular form of swap agreement if consistent with the Funds' investment objectives and policies. Swap agreements tend to shift the Funds' investment exposure from one type of investment to another. For example, if a Fund agrees to exchange payments in dollars for payments in non-U.S. currency, the swap agreement would tend to decrease the Fund's exposure to U.S. interest rates and increase its exposure to non-U.S. currency and interest rates. Depending on how they are used, swap agreements may increase or decrease the overall volatility of the Funds' portfolios. The most significant factor in the performance of swap agreements is the change in the specific interest rate, currency, individual equity values or other factors that determine the amounts of payments due to and from the Funds. If a swap agreement calls for payments by a Fund, the Fund must be prepared to make such payments when due. This is only true in default and not part of mark-to-market. In addition, if a counterparty's creditworthiness declines, the value of swap agreements with such counterparty can be expected to decline, potentially resulting in losses by the Fund.

Other Derivative Instruments. The Funds may take advantage of opportunities with respect to certain other derivative instruments that are not presently contemplated for use or that are currently not available, but that may be developed, to the extent such opportunities are both consistent with the investment objectives of the Funds and legally permissible. Special risks may apply to instruments that are invested in by the Funds in the future that cannot be determined at this time or until such instruments are developed or invested in by the Funds. Certain swaps, options and other derivative instruments may be subject to various types of risks, including, without limitation, market risk, liquidity risk, the risk of non-performance by the counterparty, including, without limitation, risks relating to the financial soundness and creditworthiness of the counterparty, legal risk and operations risk.

Futures Trading. The Funds engages in the trading of futures, including, without limitation options on futures, spot instruments and over-the-counter derivatives, for speculative and proprietary purposes. These types of trades are highly specialized and have specific risks. Commodity futures trading may be less liquid due to, among other things, position limits and price limits imposed by the CFTC and certain exchanges. If prices fluctuate beyond such limits, the Funds may be prevented from immediately liquidating unfavorable positions and may be subject to substantial losses. In addition, commodity futures prices are highly volatile, and are influenced by events such as changing supply and demand relationships, government programs and policies and changes in interest rates and other national and international political and economic events. As the Funds may generally trade commodity futures using low margin deposits, the Funds may employ a high degree of leverage with respect to such positions. As a result, a small change in price in a commodity futures contract could result in substantial losses, including, without limitation, losses greater than the amount invested in such contract. The Funds also trades over-the-counter instruments with third parties. The risk of counterparty nonperformance can be significantly greater in the case of these substantially unregulated over-the-counter instruments as opposed to exchange-traded instruments and, as a result, prices for such instruments may not be readily available.

Temporary Investments in Liquid Assets. The Funds at times keeps a portion of their respective assets in cash, cash equivalents or other liquid assets, including, without limitation, currencies, bank deposits, certificates of deposit, bankers acceptances, one or more short duration funds (including, without limitation, money market instruments or investments in shares or units of money market funds) and/or government securities (both short-term and long-term). Such investments may be financed by entering into repurchase agreements and/or reverse repurchase agreements with the Funds' brokers or by other means. Investors should be aware that such investments may produce a lower return than other investments contemplated by the Funds and, therefore, may impact the overall performance of the Funds. The fact that a portion of the Funds' assets are held in cash or cash equivalents should not be

taken as an indication that the Funds have not fully invested all of their respective assets. Further, investors should not assume that an investment in the Funds are less risky due to the fact that the Funds may, from time to time, hold a significant portion of their respective assets in cash and cash equivalents.

Market Dislocation and Illiquidity. Relatively recent events in the sub-prime mortgage market and other areas of the fixed income markets in the United States have caused significant dislocations, illiquidity and volatility in the structured credit, leveraged loan and high-yield bond markets. These events have had repercussions on the global financial markets, including, without limitation, the markets in which the Funds trade and invest, by restricting the availability of credit generally and reducing liquidity levels across virtually all markets globally. The foregoing events could lead to an overall weakening of the U.S. and global economies. Any resulting economic downturn could adversely affect certain of the Funds' investments. Such marketplace events also may restrict the ability of the Funds to sell or liquidate investments (including, without limitation, equity investments) at favorable times and/or for favorable prices and/or cause the Funds to have limited access to credit. The Funds may be adversely affected by a decrease in market liquidity (e.g., by impairing the Funds' ability to adjust their positions and risk in response to trading losses or other adverse developments). The size of the Funds' positions may magnify the effect of a decrease in market liquidity for the instruments traded. Changes in the overall market leverage (e.g., deleveraging or liquidations by other market participants of the same or similar positions) also may adversely affect the Funds' positions.

Currency Risk. Electron generally may or may not cause the Funds to enter into arrangements in an attempt to hedge the Funds' exposure to significant currency fluctuations between the U.S. Dollar and other currencies. Therefore, the Funds may be exposed to fluctuations in currency and interest rates to the extent the movement in such rates affect the Funds' portfolios. Price movements of currencies and interest rates are difficult to predict accurately because they are influenced by, among other things, changing supply and demand relationships; governmental, trade, fiscal, monetary and exchange control programs and policies; national and international political and economic events; and changes in interest rates. Governments from time to time intervene in certain markets in order to influence prices directly. Electron cannot guarantee that the Funds' portfolios will not be affected substantially by currency price and interest rate movements and the Funds may suffer significant losses as a result thereof.

Inflation Risk. Inflation risk results from the variation in the value of cash flows from a security due to inflation, as measured in terms of purchasing power. For example, if a Fund purchases a 5-year bond in which it can realize a coupon rate of five percent (5%), but the rate of inflation is six percent (6%), then the purchasing power of the cash flow has declined. For all but inflation linked bonds, adjustable bonds or floating rate bonds, the Funds, if they were to invest in bonds, would be exposed to inflation risk because the interest rate the issuer promises to make is fixed for the life of the security. To the extent that interest rates reflect the expected inflation rate, floating rate bonds have a lower level of inflation risk.

Systemic Risk. World events and/or the activities of one or more large participants in the financial markets and/or other events or activities of others could result in a temporary systemic breakdown in the normal operation of financial markets. Such events could result in the Funds losing substantial value caused predominantly by liquidity and counterparty issues, which could result in the Funds incurring substantial losses.

General Economic Conditions. The success of any investment activity is affected by general economic conditions, which include the level and volatility of interest rates, credit spreads and equity valuations and the extent and timing of investor participation in the markets for both equities and interest-sensitive instruments. Unexpected volatility or illiquidity in the markets in which the Funds hold positions could cause the Funds to incur losses.

Assumption of Business, Terrorism and Catastrophe Risks. Opportunities involving the assumption by the Funds of various risks relating to particular assets, markets or events may be considered from time to time. The Funds are subject to the risk of loss arising from exposure that it may incur, directly or indirectly, due to the occurrence of various events, including, without limitation, outbreaks of an infectious disease, pandemics or any other serious public health concern, acts of God, fire, hurricanes, earthquakes, and other natural disasters, terrorism and other catastrophic events and events that could adversely affect the health or life expectancy of people. These risks of loss can be substantial, could greatly exceed all income or other gains, if any, received by the Funds in assuming these risks and, depending on the size of the loss, could adversely affect the return of the Funds.

Cybersecurity Risk. As part of its business, the Advisor processes, stores and transmits large amounts of electronic information, including information relating to the transactions of the Funds and personally identifiable information of the shareholders. Similarly, service providers of the Advisor and the Funds, especially the Administrator, may process, store and transmit such information. The Advisor 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 the Advisor may be susceptible to compromise, leading to a breach of the Advisor's network. The Advisor's systems or facilities may be susceptible to employee error or malfeasance, government surveillance, or other security threats. On-line services provided by the Advisor to the shareholders may also be susceptible to compromise. Breach of the Advisor's information systems may cause information relating to the transactions of the Funds and personally identifiable information of the shareholders to be lost or improperly accessed, used or disclosed.

The service providers of the Advisor and the Funds are subject to the same electronic information security threats as the Advisor. 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 shareholders may be lost or improperly accessed, used or disclosed.

The loss or improper access, use or disclosure of the Advisor's or the Funds' proprietary information may cause the Advisor 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 shareholders' investments therein.

Please see Items 4 (Advisory Business), 10 (Other Financial Industry Activities and Affiliates), 11 (Code of Ethics, Participation in Client Transactions and Personal Trading) and 12 (Brokerage Practices).

**ITEM 9**  
**DISCIPLINARY INFORMATION**

To the best of our knowledge, there are no legal or disciplinary events that are material to a client's, prospective client's, investor's or prospective investor's evaluation of our advisory business or the integrity of our management.

## **ITEM 10**

### **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

#### **A. Broker-Dealer Registration Status.**

Neither we nor our management personnel (i) are registered as broker-dealers; or (ii) have any application pending to register with the SEC as a broker-dealer or registered representative of a broker-dealer.

#### **B. Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Adviser Registration Status.**

Neither we nor our management personnel (i) are registered as a futures commission merchant, commodity pool operator, commodity trading adviser or an associated person of the foregoing; or (ii) have any application pending to register with respect to any of the foregoing.

#### **C. Material Relationships or Arrangements with Industry Participants.**

As discussed in Item 4 (Advisory Business), Electron, Electron GP, and Electron Infrastructure GP are owned directly and indirectly by the Partners. Mr. Shaver also serves as a director of the Global Offshore Fund and Infrastructure Offshore Fund.

Electron and the Partners will devote to the Funds as much time as Electron deems necessary and appropriate to manage the Funds' business. Future activities of Electron and its affiliates, including the establishment of other investment funds and/or accounts, may give rise to additional conflicts of interest. Electron and its partners, officers, personnel and affiliates are not restricted from forming additional investment funds and/or accounts, from entering into other investment advisory relationships or from engaging in other business activities, even though such activities may be in competition with the Funds and/or may involve commitment of substantial time and resources of Electron or any of its affiliates.

Placement agents that may solicit investors for a Fund are subject to a conflict of interest because they will be compensated in connection with their solicitation activities. All payments made to placement agents for client referrals will be made in accordance with the provisions of Rule 206(4)-3 under the Advisers Act and any other applicable laws.

For a further discussion of how we address actual and potential conflicts of interest, please see Item 11, "*Code of Ethics, Participation or Interest in Client Transactions and Personal Trading*" below.

These foregoing activities and affiliates may subject us to a number of actual and potential conflicts of interests. However, we will undertake to provide services to the Funds in a manner that is consistent with our fiduciary duties. When a conflict of interest arises, we will endeavor to ensure that the conflict is resolved fairly.

#### **D. Material Conflicts of Interest Relating to Other Investment Advisers.**

Except as disclosed in Item 10, "*Other Financial Industry Activities and Affiliations*," we do not recommend or select other investment advisers for our Funds and we have no material conflicts of interest relating to other investment advisers.



## ITEM 11

### CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

#### A. Code of Ethics.

Our goal is not just to comply with the laws and regulations that apply to our business; we also strive to abide by the highest standards of business conduct. In recognition of this, we have adopted a written Code of Ethics (the “*Code of Ethics*”), pursuant to Rule 204A-1 under the Advisers Act, designed to reinforce and enhance our ethical way of doing business and, in particular, to ensure compliance with the Advisers Act.

The Code of Ethics sets forth the standards of business conduct that reflect our fiduciary obligations to our Clients. The code of ethics is applicable to all employees. The Code of Ethics requires that employees act with honesty and integrity, adhere to the highest ethical standards and comply with applicable laws and regulations. The Code of Ethics is based on the principle that we and our employees owe a fiduciary duty to clients to ensure that employees conduct their personal securities transactions in a manner that does not interfere with client transactions or otherwise take unfair advantage of our relationship with our clients.

A copy of the Code of Ethics is available upon request by contacting Electron at 212-554-1800 or [investors@Electroncapital.com](mailto:investors@Electroncapital.com).

#### B. Securities That You or a Related Person Has a Material Financial Interest.

Our employees do not recommend to advisory clients, nor do they buy or sell for such clients, securities or other instruments in which they have a material financial interest.

#### C. Investing in Securities That You or a Related Person Recommends to Clients.

Conflicts of interest may occur when we, our affiliates, or employees (or their immediate family members), invest in the same securities, trade in the same securities at or about the same time, or have a material financial interest in the same securities that we recommend to our clients. For example, we or our employees may invest in the Funds, and, therefore, such persons may hold an indirect interest in the same securities as the Funds. In addition, certain of our employees may own securities in their personal accounts that the Funds also have invested in. Our Code of Ethics has been designed to limit conflicts of interest in cases where we or any of our officers or employees, buy, sell or otherwise have an interest in, securities that the Funds also have invested in.

We have adopted an insider trading policy which states that no person to whom the policy applies may trade, either personally or on behalf of others (including our clients), while in possession of material nonpublic information where it would be unlawful to do so, nor may any of our personnel communicate material nonpublic information to others in violation of the law.

Our personal trading policies are part of our Code of Ethics. For a description of our Code of Ethics, please see the foregoing discussion in this Item 11. The fiduciary principles that govern our personal investment activities reflect, at a minimum, the following: (1) the duty at all times to place the interests of the clients first; (2) the requirement that all personal securities transactions be conducted consistent with the Code of Ethics and in such a manner as to avoid any actual or potential conflict of interest or any abuse of an individual’s position of trust and responsibility; (3) the fundamental standard that investment personnel should not take inappropriate advantage of their positions; and (4) the requirement that investment personnel comply with applicable Federal securities laws.

D. Conflicts of Interest Created by Contemporaneous Trading.

Unless otherwise specifically permitted by the Code of Ethics, an employee may only trade securities in their personal trading account with pre-approval from the Chief Compliance Officer.

## ITEM 12 BROKERAGE PRACTICES

### A. Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions.

Pursuant to the relevant Agreements, we are generally authorized to select the broker or dealer to effect transactions on behalf of the Funds; however, our selection of the broker or dealer may be tailored to a particular Fund's investment guidelines or restrictions, where appropriate. Accordingly, portfolio transactions will be allocated to brokers based on best execution and in consideration of such broker's provision or payment of the costs of research and other services.

We have adopted the following guidelines for evaluating brokerage services when determining whether it has obtained best execution for Fund transactions. These guidelines are designed to enable us to fairly evaluate the overall quality and costs of a broker-dealer's execution services, including factors other than prices, commissions and other expenses paid in connection with account transactions.

In selecting an appropriate broker-dealer to effect a trade for the Funds, we seek to obtain best execution, taking into consideration relevant factors, including, but not limited to: price quotes; the size of the transaction; the nature of the market for the security; the timing of the transaction; difficulty of execution; the broker-dealer's expertise in the specific security or sector in which the Funds seek to trade; the extent to which the broker-dealer makes a market in the security involved or has access to such markets; availability of accurate information regarding the market for the security; the broker-dealer's skill in positioning the securities involved; the broker-dealer's promptness of execution; the broker-dealer's financial stability; adequacy of the broker-dealer's trading infrastructure, technology and capital; the broker-dealer's reputation for diligence, fairness and integrity; quality of service rendered by the broker-dealer in other transactions for us; confidentiality considerations; the quality and usefulness of research services and investment ideas presented by the broker-dealer; the broker-dealer's ability and willingness to correct errors; the broker-dealer's ability to accommodate any special execution or order handling requirements that may surround the particular transaction; and other factors we deem appropriate. We need not solicit competitive bids and do not have an obligation to seek the lowest available commission cost or spread.

#### 1. **Research and Other Soft Dollar Benefits.**

The Funds may be deemed to be paying for research and other services with "soft" or commission dollars. Although Electron believes the Funds will benefit from many of the services obtained with soft dollars generated by the Funds trades, they will not benefit exclusively. Electron and/or its affiliates may also derive direct or indirect benefits from some or all of these services, particularly to the extent that Electron uses "soft" or commission dollars to pay for expenses they would otherwise be required to pay themselves. During its last fiscal year, Electron received research publications and databases and expert networks using soft dollars.

Section 28(e) of the Securities Exchange Act of 1934, as amended, provides a "safe harbor" to investment managers who use commission dollars generated by their advised accounts to obtain investment research and brokerage services that provide lawful and appropriate assistance to the manager in the performance of investment decision-making responsibilities. Conduct outside of the safe harbor afforded by Section 28(e) is subject to the traditional standards of fiduciary duty under state and U.S. federal law. Notwithstanding a good faith determination that the amount of commissions paid is reasonable in relation to the value of brokerage research services provided, to the extent that Electron determines to use commission dollars to pay for products and services that provide administrative or other non-research assistance to Electron and/or its affiliates, such payments will fall within the safe harbor of Section 28(e).

Electron may have an incentive to select to recommend a broker-dealer based on our interest in receiving the research or other products or services, rather than on the Funds' interest in receiving most favorable execution.

## **2. Brokerage for Client Referrals.**

Neither Electron nor any related person receives client referrals from any prime broker or third party. However, subject to seeking best execution, we may consider, among other things, capital introduction and marketing assistance with respect to investors in the Funds in selecting or recommending prime brokers for the Funds. Electron may have an incentive to select or recommend a broker-dealer based on our interest in receiving referrals, rather than on the Funds' interest in receiving most favorable execution.

## **3. Directed Brokerage.**

We do not recommend, request, require, or permit a client to direct us to execute transactions through a specified broker-dealer.

### **B. Order Aggregation.**

Orders generally shall be allocated (i) pro rata among all accounts based upon the respective sizes of the participating Client accounts; or (ii) based upon a uniform target percentage holding across all participating Client accounts, unless there are limit orders. Electron generally allocates transactions among Clients on a trade-by-trade basis. Each such *pro rata* and target allocation procedures are sometimes referred to herein as a "Standard Allocation Method".

Electron may employ an allocation method other than a Standard Allocation Method including, but not limited to, allocating trades based on (1) the amount of available cash in a particular Client account or the need of a particular Client account for cash flow, (2) allocating trades based upon a uniform target percentage holding across all participating Client accounts (unless there are limit orders), or (3) any other method, provided, that the Company may only depart from the Standard Allocation Method if:

under the circumstances, such other allocation method is reasonable, employed in good faith and does not result in an unfair or inequitable disadvantage to any Client account.

Please see Item 10 (Other Financial Industry Activities and Affiliates).

## **ITEM 13**

### **REVIEW OF ACCOUNTS**

**A. Frequency and Nature of Review of Client Accounts or Financial Plans.**

Mr. Shaver, with the assistance of other investment staff as appropriate, regularly reviews the current investment strategy and holdings in the Funds. Issues such as exposure, security weighting, and sector weighting are all reviewed to ensure compliance with the applicable Agreements. Topics such as model changes and priority of purchases or sales are also frequently discussed among members of the investment team and the portfolio managers.

**B. Factors Prompting Review of Client Accounts Other than a Periodic Review.**

Trading personnel assist in risk assessment and review of holdings in the Funds by monitoring risks arising from factors including, if applicable: (i) security concentration; (ii) regulatory limitations; (iii) regional exposure; (iv) sector exposure; (v) liquidity; (vi) investor-imposed investment restrictions; (vii) beta; (viii) value at risk; (ix) leverage; (x) counterparty risk; and (xi) risks related to operations and systems.

**C. Content and Frequency of Account Reports to Clients.**

Within 90 days after the completion of each year's audit of the Electron Funds' books and records, or as soon as reasonably practicable thereafter, audited financial statements will be sent to each of the Electron Funds' investors. The Electron Funds may elect not to provide portfolio disclosure required by U.S. generally accepted accounting principles to investors and may capitalize and amortize certain of its organizational expenses in deviation from U.S. generally accepted accounting principles. Such deviations from U.S. generally accepted accounting principles may result in a qualified opinion rendered on the Electron Funds' financial statements. The Electron Funds will also provide periodic unaudited performance information, no less frequently than monthly, to the Electron Funds' investors.

**ITEM 14**  
**CLIENT REFERRALS AND OTHER COMPENSATION**

A. Economic Benefits for Providing Services to Clients.

Electron does not receive any economic benefits from non-clients for providing investment advice or other advisory services.

B. Compensation to Non-Supervised Persons for Client Referrals.

We may directly or indirectly compensate persons who are not supervised persons, including placement agents, for client referrals. Our Chief Compliance Officer or his designee will determine whether such arrangements: (i) are subject to Rule 206(4)-3 under the Advisers Act (the “*Cash Solicitation Rule*”) and, if so, whether the arrangements comply with that rule; and (ii) comply with other applicable laws, rules and regulations, including laws and regulations requiring the registration of broker-dealers. Such compensation to third parties for referrals may be based, among other things, on a percentage of the assets initially invested with us or remaining invested with us over time. Placement agents that may solicit or refer potential clients or investors on our behalf are subject to a conflict of interest because they will be compensated in connection with their solicitation activities.

## **ITEM 15 CUSTODY**

The Funds' cash and securities (except for securities that meet the privately offered securities exemption in Rule 206(4)-2 under the Advisers Act (the "*Custody Rule*")) are maintained with a "*qualified custodian*." However, Electron is viewed as having custody of the Electron Funds' assets. The Electron Funds distribute annual audited financial statements to the Funds' investors within 90 days after the completion of each year's audit of the Funds' books and records, or as soon as reasonably practicable thereafter.

**ITEM 16**  
**INVESTMENT DISCRETION**

In general, we have discretionary authority to manage the securities portfolios of the Funds pursuant to IMAs with the Funds, which customarily do not place limitations on our authority to manage a Fund's portfolio. Our investment decisions and advice with respect to each Fund are generally subject to such Fund's investment objectives and guidelines, as set forth in the relevant Agreements and/or the rules and regulations of any exchange or market on which we trade securities on behalf of the Fund.



## ITEM 17

### VOTING CLIENT SECURITIES

#### A. Policies and Procedures Relating to Voting Client Securities.

We have, and in the future will continue to accept, the authority to vote the Funds' securities. In light of this, we have adopted policies and corresponding procedures to comply with Rule 206(4)-6 under the Advisers Act and with our fiduciary obligations (the "*Proxy Voting Policies*"). The Proxy Voting Policies are designed to ensure that in cases where we vote proxies with respect to Fund securities or other instruments, such proxies are voted in the best interests of the Funds.

Our general policy is to vote proxy proposals, amendments, consents, resolutions or corporate actions relating to securities, including interests in private investment funds, if any (collectively, "*proxies*"), in a manner that serves the best interests of the Funds, as determined by us in our discretion, taking into account relevant factors, including, but not limited to:

- the impact on the value of the securities;
- the anticipated costs and benefits associated with the proposal;
- the effect on liquidity; and
- customary industry and business practices.

The majority of votes presented to shareholders are proposals made by management, which have been approved and recommended by a company's board of directors. For routine matters (which generally means that such matter will not measurably change the structure, management, control or operation of the company and are consistent with customary industry standards and practices, as well as the laws of the state of incorporation applicable to the company), Electron will vote in accordance with the recommendation of ISS Sustainability Services, unless, in Electron's opinion, such recommendation is not in the best interests of its clients. Generally, in the absence of any unusual or non-routine information, the following items are likely to be supported:

- Ratification of appointment of independent auditors
- General updating/corrective amendments to charter
- Increase in common share authorization for a stock split or share dividend
- Stock option plans that are incentive based and not excessive
- Election of directors and payment of fees (unless such fees exceed market standards)

Non-routine matters may involve a variety of issues. The following items will always require company specific and case-by-case review and analysis when submitted by management to a shareholder vote:

- Directors' liability and indemnity proposals
- Executive compensation plans
- Mergers, acquisitions, and other restructurings submitted to a shareholder vote
- Anti-takeover and related provisions
- Shareholder Proposals

In the event we determine that the investing Funds should rely on the advice of an independent third party or a committee regarding the voting of a proxy, we will submit the proxy to such third party or committee for a decision and we will execute the proxy in accordance with such third party's or committee's decision.

The Chief Compliance Officer also will maintain, or have available, written or electronic copies of each proxy statement received and of each executed proxy.

The Chief Compliance Officer also will maintain records relating to each proxy, including (i) the determination as to whether the proxy was routine or not, (ii) the voting decision with regard to each proxy; and (iii) any documents created by any independent third party or others, that were material to making the voting decision.

We will maintain a record of each written request from an investor in a Fund for proxy voting information and our written response to any request (oral or written) from an investor in a Fund for proxy voting information.

The Chief Compliance Officer will maintain such records in its offices for two years from the end of the fiscal year during which the record was created, and for an additional three years in an easily accessible place.

**B. No Authority to Vote Client Securities and Client Receipt of Proxies.**

As discussed above, we have, and in the future will continue to accept, the authority to vote the Funds' securities.

For additional information about how any proxies were actually voted or a copy of Electron's proxy voting policies and procedures, please contact Electron at 212-554-1800 or [investors@Electroncapital.com](mailto:investors@Electroncapital.com).

**ITEM 18**  
**FINANCIAL INFORMATION**

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