

**Item 1: Cover Page**



**CAVU Consumer Partners, LLC**

**Form ADV Part 2A**

**March 31, 2023**

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**New York, NY 10011**

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This Form ADV Part 2A (“Brochure”) provides information about the qualifications and business practices of CAVU Consumer Partners, LLC (the “Adviser”). If you have any questions about the contents of this Brochure, please contact the Adviser by phone at 212-716-2673 or by email at [bella@cavuconsumer.com](mailto:bella@cavuconsumer.com)

Registration as an investment adviser with the U.S. Securities and Exchange Commission (“SEC”) does not imply a certain level of skill or training. In addition, the information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

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

## **Item 2: Material Changes**

The following material changes have been incorporated into this Brochure since the last annual amendment filed March 30, 2022:

- The Adviser has changed its legal name to CAVU Consumer Partners, LLC and has also amended certain references to this change (e.g., website, email addresses) throughout.

In addition, we have made clarifying updates throughout this brochure. We recommend that you review this brochure in its entirety.

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## **Item 4: Advisory Business**

### **A. Description of Advisory Business**

CAVU Consumer Partners, LLC (or the “Adviser”), together with its affiliated general partner entities (the “General Partners”) with which it shares common control (collectively, “CAVU”) provides investment advisory services to a number of privately offered, pooled investment funds (the “Funds”) and/or special purpose vehicles (“SPVs”, collectively with the Funds, “Clients”). The Adviser is a Delaware limited liability company formed on June 19, 2015, and principally owned by Brett Thomas and Rohan Oza. The Adviser also shares common control with affiliated General Partners, which serve as the sponsors to the Clients.

### **B. Description of Advisory Services**

CAVU is an investment firm that primarily invests in high-growth branded consumer products and services companies, with emphasis on brands that appeal to today’s health and wellness-conscious consumer. Client portfolio companies are generally private companies domiciled in the United States, and investments are made in startups, small-to medium sized companies as well as later stage companies in exchange for minority ownership positions. CAVU’s strategy covers all aspects of consumer products and services, with an emphasis on consumer packaged goods (“CPG”), food & beverage, personal care, beauty, wellness, pet care, fitness, and fast casual. As a result, the Clients feature highly concentrated portfolios.

CAVU has developed a team of investment professionals, industry experts, value-add, and operational support specialists to serve its portfolio companies and investors. In addition to offering access to multiple-asset, pooled investment opportunities through the Funds, CAVU, through its SPVs, also offers direct private investment and co-investment opportunities. A full list of the Funds and SPVs managed by CAVU can be found on Form ADV Part 1A, Section 7.B.(1).

Investors in CAVU Clients (“Investors”) should refer to the relevant vehicle’s organizational documents, limited partnership agreement or any other offering documents, including the exhibits and appendices thereto, and other governing documents (collectively, the “Governing Documents”) for definitive and detailed information regarding the matters described in this Brochure.

The Funds and SPVs rely on certain exclusions from the definition of “investment company” found in the Investment Company Act of 1940, as amended (“1940 Act”). Accordingly, none of the Clients are registered as investment companies with the SEC.

### **C. Client Investment Objectives and Restrictions**

CAVU does not tailor its advisory services to the individual needs of Investors. Instead, CAVU provides investment advice to the Clients rather than to the individual underlying Investors. Investment restrictions for a Client, if any, are established in the applicable Governing Documents for such Client.

#### **D. Wrap Fee Programs**

CAVU does not participate in wrap fee programs.

#### **E. Regulatory Assets Under Management**

As of December 31, 2022, CAVU's regulatory assets under management consisted of the following:

- Discretionary: \$ 960,866,606
- Non-Discretionary: \$0

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

#### **A. Advisory Fees and Compensation**

It is critical that Investors refer to the Governing Documents for a complete understanding of how advisory fees are paid to CAVU. The information contained herein is a summary only and is qualified in its entirety by such documents.

**Management Fees:** CAVU receives compensation for the provision of investment advisory services to the Funds in the form of Management Fees. Typically, Management Fees will vary by Fund, but are calculated based on committed capital and subject to various offset or other provisions within the applicable Fund Governing Documents. The precise amount of, and the manner and calculation of, the Management Fees for each Fund are established by CAVU and are set forth in such Fund's Governing Documents received by each Investor prior to investment in such Fund. The fee structures described herein may be modified from time to time. CAVU, in its sole discretion, may modify, reduce or waive any Management Fee at any time, including during any wind-down of a Fund's business.

**Carried Interest:** A portion of the profits of each Fund is distributed to its General Partner, if any, as "carried interest" (the "Carried Interest") generally related to, and based on, the investment performance of such Fund. The allocation of Carried Interest is dependent on meeting certain criteria defined in accordance with the Governing Documents of the specific Fund.

With respect to the SPVs, CAVU is generally not compensated through a Management Fee but on occasion will be eligible to receive Carried Interest. The terms of each co-investment opportunity are negotiated on a case-by-case basis and Investors should review the terms in the relevant Governing Documents prior to investing.

#### **B. Payment of Fees**

Pursuant to the terms of the various Governing Documents, CAVU deducts advisory fees from Client assets as follows:

- Management Fees are calculated on the first day of the fiscal quarter, payable in advance of the applicable quarter.

- Carried Interest paid by a Client is typically based on profits realized from such Client's investments. Carried Interest, if applicable is earned and payable in accordance with the terms set out in the applicable Governing Documents for the relevant Client.

Certain affiliated persons of CAVU that participate in the Funds or SPVs are not charged advisory fees as described above.

### **C. Other Advisory Client Fees and Expenses**

To the extent provided in the Governing Documents of a Client, the Adviser will bear all normal operating expenses incurred in connection with the management of such Client, which generally shall include, without limitation, expenditures on account of salaries, wages and other expenses of employees of the Adviser, rentals payable for space used by the Adviser or the General Partners, utilities, office supplies and equipment.

To the extent set forth in a Client's Governing Documents, such Client shall bear all costs and expenses incurred in the sourcing, investigation, holding, purchase, monitoring, sale or exchange of securities (whether or not ultimately consummated), including, but not by way of limitation, private placement fees, finder's fees, interest on and fees and expenses arising out of borrowed money, real property or personal property taxes on investments, including documentary, recording, stamp and transfer taxes, brokerage fees or commissions or other similar charges (including any merger fees payable to third parties), travel expenses directly associated with an existing or prospective portfolio company investment (including prospective portfolio company investments that are not ultimately consummated), legal fees and expenses, expenses incurred in connection with the investigation, prosecution or defense of any claims by or against such Client, including claims by or against a governmental authority, audit, appraisal and accounting fees and expenses, fees and expenses related to consulting, advisory or professional services relating to investments or proposed investments, taxes applicable to such Client on account of its operations, fees incurred in connection with the maintenance of bank or custodian accounts, and all expenses incurred in connection with the registration of such Client's securities under applicable securities laws or regulations. To the extent set forth in a Client's Governing Documents, such Clients also bears any sales or other taxes, fees or government charges which may be assessed against such Client, the cost of liability and other premiums for insurance protecting such Client, the applicable General Partners, the partners or members of the applicable General Partners, the Adviser, the members of the Adviser, the members of such Client's advisory committee (with respect to a Client, the "Advisory Committee"), the members of a board of strategic advisors established by the applicable General Partner on behalf of such Client (with respect to a Client, the "Board of Strategic Advisors") and any of their respective partners, members, shareholders, managers, managing partners, officers, directors, trustees, employees, consultants, agents or affiliates in connection with the activities of such Client or loss of a managing partner of such Client (with respect to a Client, a "Managing Partner") (provided that such Client is the beneficiary of such policy in respect of the loss of a Managing Partner), broken deal expenses, all expenses incurred in connection with multimedia, analytical, database news or other third party research services and related terminals for the delivery of such services; expenses associated with Client communications with Investors, including preparation and distribution of financial statements and annual or other reports to the Investors, expenses associated with preparation, filing and distribution of tax returns, tax estimates and Schedules K-1 or any other administrative, regulatory or

other Client-related reporting or filing, including any filings, notifications, reports or other regulatory requirements contemplated by or arising under the European Union's Alternative Investment Fund Managers Directive or any other similar law, rule or regulation (including any implementing law, rule or regulation relating thereto), costs associated with Client meetings or Advisory Committee matters, expenses of the members of the Advisory Committee (including travel-related costs and expenses), fees and expenses of any member of the Board of Strategic Advisors (including travel-related costs and expenses), all legal, accounting, audit, appraisal, consulting, advisory, bookkeeping, recordkeeping or professional services fees and expenses relating to such Client and its activities, fees and expenses relating to outsourced finance, reporting, administration, accounting and back-office services, all fees and expenses relating to the regulatory compliance of the Adviser and its affiliates, all expenses incurred by such Client's partnership representative, all fees and expenses incurred in connection with the maintenance of a registered agent and office, all fees, costs and expenses relating to litigation and threatened litigation involving such Client, including such Client's indemnification obligations, liquidation expenses of the Partnership (including, without limitation, legal and accounting fees and expenses), all expenses that are not normal operating expenses and all other expenses properly chargeable to the activities of such Client. A Client shall also bear any expenses of future feeder entities with respect to such Client, analogous to those classes of expenses delineated above with respect to such Client.

To the extent set forth in a Client's Governing Documents, such Client bears all organizational and syndication costs, fees, and expenses incurred in connection with the formation and organization of such Client, any parallel funds, any feeder entities, the applicable General Partners, and the Adviser and the sale of interests in such Client, such feeder entities or such parallel funds to the Investors or the Investors in such feeder entities or parallel funds, including legal, accounting, professional service, travel, meeting, printing and other fees and expenses incident thereto (the "Organizational Expenses"); provided, that in the case of a Fund, aggregate Organizational Expenses (excluding placement fees) paid or reimbursed by such Fund in excess of an amount specified in the applicable Governing Documents of such Fund shall be borne by the Adviser through a reduction in the Management Fee payable by such Fund pursuant to the relevant Governing Documents.

The Funds (and, indirectly, the Investors, including, without limitation, the applicable General Partner) and any parallel funds bear all the broken deal expenses (in proportion to the relative capital commitments of applicable Funds) with respect to a prospective investment in respect of which a co-investment opportunity was anticipated, irrespective of whether any actual or potential co-investment partnerships or entities that may invest in any such prospective investment exist or whether a determination had been made as to the identity of any actual or potential co-investors or the amount of the anticipated co-investment opportunity prior to the time that it was determined that the prospective investment would not be consummated by the applicable Funds. Any such actual or potential co-investment partnerships or entities will not bear any broken deal expenses, which will be paid by the applicable Funds and any parallel funds on behalf of such co-investment partnerships or entities (regardless of whether such co-investment partnerships or entities exist or have been identified).

Subject to the Governing Documents of the Clients, to the extent that a Client bears any expenses: (a) that relate to a portfolio company investment and that benefit one or more investment entities advised or managed by the Adviser, such expenses shall be allocated among the Clients pro rata in

proportion to their relative investment amounts in such portfolio company; and (b) that do not relate to a portfolio company investment and that also benefit one or more investment entities advised or managed by the Adviser, such expenses shall be allocated among the Clients pro rata in proportion to their relative capital commitments or such other method deemed reasonable by the applicable General Partner.

#### **D. Advance Payment of Fees**

Please see the response to Item 5.B for with respect to how advisory fees are paid.

Pursuant to the applicable Governing Documents and absent certain regulatory circumstances, Investors are not allowed to redeem their interests in the Clients. As such, refunds for prepaid fees are not applicable.

#### **E. Supervised Person Compensation for Sale of Securities**

Not applicable to CAVU.

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

As described in Item 5 above, certain of the Clients pay performance-based compensation to their respective General Partner in the form of Carried Interest as set forth in the applicable Governing Documents).

The possibility that CAVU would receive Carried Interest presents a potential conflict of interest in that it creates an incentive to make investments that are riskier or more speculative than in the absence of such compensation arrangements. CAVU manages potential conflicts by adopting and complying with an investment allocation policy that addresses how to allocate capacity- constrained investment opportunities among the Funds. Generally, and except as may be otherwise set forth in the Governing Documents of the Funds, this conflict is also mitigated, but not eliminated, by (i) certain limitations on the ability of the Adviser to establish new investment funds, and (ii) contractual provisions and procedures setting forth investment allocation requirements. Investors are provided with clear disclosure as to how Carried Interest is calculated and charged, prior to making an investment in a CAVU Client.

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

CAVU provides investment advisory services to the Funds and SPVs as described in Item 4. Investors in the Funds and SPVs must abide by the terms of their respective Governing Documents, including executing a limited partnership agreement and/or operating agreement, subscription agreement and/or other appropriate instruments, pursuant to which they agree to be bound by the terms and provisions thereof.

Investment in a CAVU managed Fund or SPV requires that Investors meet certain eligibility and sophistication requirements under federal securities laws.



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

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

As discussed in Item 4, CAVU is an investment firm that primarily invests in high-growth branded consumer products and services companies, with emphasis on brands that appeal to today's health and wellness-conscious consumer (including, but not limited to, food & beverage, personal care, beauty, wellness, pet care, fitness, and fast casual).

CAVU's investment strategy is based upon what it believes to be a set of competitive advantages in identifying opportunities, conducting diligence, structuring transactions, and accelerating revenue and profit growth of portfolio companies. When a potential portfolio company is identified that fits CAVU's investment criteria, a deal team is formed to conduct an initial review of the company including its market position, major customer relationships, growth prospects, profitability, and management team strength. Through this due diligence, if the deal team determines that the opportunity is attractive, a summary proposal is completed and presented to CAVU's investment staff. If this meeting results in a consensus to move forward, the deal team will submit an indication of interest letter (including an initial indication of value) to the target portfolio company or intermediary representing that company in order to move forward with an investment.

Additionally, CAVU believes that adding value to portfolio companies, post-investment, is essential as it seeks positive, risk-adjusted investment returns. CAVU believes its focus and experience within the CPG industry allows CAVU to leverage the market knowledge of its Managing Partners and employees in seeking to create equity value throughout the life of each portfolio company. CAVU works to identify key business drivers, develop an investment thesis that includes a detailed strategic plan for the company post-acquisition, and work rapidly with portfolio company management to execute that strategy.

### **B. Material Risks**

**Risk of Loss:** CAVU does not make any guarantee or representation that Client investment programs, including, without limitation, CAVU's investment objectives, diversification strategies or risk monitoring goals, will be successful. Investment results may vary substantially over time. No assurance can be made that profits will be achieved or that substantial or complete losses will not be incurred. Past results are not necessarily indicative of future performance.

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

**No Registration:** As outlined in Item 4, the Funds and SPVs will not be registered as investment companies under the 1940 Act and, therefore, such vehicles will not be entitled to the various protections afforded by the 1940 Act with respect to their investments. Accordingly, the provisions

of the 1940 Act, which, among other things, require investment companies to have securities held in custody at all times in segregated accounts and regulate the relationship between the investment company and its asset management, are not applicable to an investment in CAVU Clients.

**Private Investment Funds:** The legal, tax and regulatory environment worldwide for private investment funds and their managers is evolving. Changes in the regulation of private investment funds, their managers and their trading and investing activities may have a material adverse effect on the ability of the Funds to pursue their investment programs and the value of investments held by the Funds.

**Venture Capital and Growth Equity Investments:** The types of investments contemplated by CAVU involve a high degree of risk. In general, financial and operating risks confronting seed, early, mid and late stage portfolio companies can be significant. While targeted returns should reflect the perceived level of risk in any investment situation, there can be no assurance that Clients will be adequately compensated for risks taken. A loss of an Investor's entire investment is possible. The timing of profit realization is highly uncertain. Losses are likely to occur early in the investment's term, while successes often require a long maturation.

Seed and early stage companies often experience unexpected problems in the areas of product development, manufacturing, marketing, financing and general management, which, in some cases, cannot be adequately solved. Such companies may face intense competition, including from companies with greater financial resources, more extensive development, manufacturing, marketing and service capabilities and a larger number of qualified managerial and technical personnel. In addition, such companies may require substantial amounts of financing that may not be available through institutional private placements or the public markets. The percentage of companies that survive and prosper can be small.

Investments in more mid or late stage companies in the expansion or profitable stage involve substantial risks. Such companies typically have obtained capital in the form of debt and/or equity to expand rapidly, reorganize operations, acquire other businesses or develop new products and markets. These activities by definition involve a significant amount of change in a company and could give rise to significant problems in sales, manufacturing, and general management of these activities.

**Investments in Unseasoned Companies:** CAVU's investment strategy allows for investment privately held companies with limited histories of profit and stability. These companies often require considerable additional capital to develop technologies and markets, acquire customers and achieve or maintain a competitive position. It is possible this additional capital will not be available at all, or on acceptable terms. Such companies could face intense competition, including competition from established companies with much greater financial and technical resources, more extensive development, manufacturing, marketing and service capabilities, and a greater number of qualified managerial and technical personnel. Although the Clients may be represented by at least one representative of the General Partner on a portfolio company's board of directors, each portfolio company will be managed on a day-to-day basis by its own management team (who generally will not

be affiliated with CAVU). Portfolio companies may have substantial variations in operating results from period to period and experience failures or substantial declines in value at any stage.

**Investments in Growth Stage Companies:** CAVU intends to direct investments into small and medium sized companies that are seeking to grow substantially in the near term. While such investments may present opportunities for growth, they also may entail risks that may or may not be customarily associated with investments in large companies. Small and medium sized companies may have more limited product lines, markets and financial resources, may have higher customer concentration and may be dependent on a smaller management group. As a result, such companies may be more vulnerable to general economic trends and to specific changes in markets and technology. In addition, future growth may be dependent on additional financing, which may not be available on acceptable terms when required. Further, there is ordinarily a more limited marketplace for the sale of interests in smaller private companies, which may make realizations of gains more difficult due to the requirement to sell to other private investors. In addition, the relative illiquidity of growth equity investments generally, and the somewhat greater illiquidity of private investments in small and medium sized companies in particular, could make it difficult for CAVU to react quickly to negative economic or political developments.

**Investment in Companies Dependent Upon Technologies:** CAVU plans to focus its investing primarily in consumer product or service companies. As such, Clients are susceptible to factors affecting such portfolio companies and to a greater risk than an investment in an investment fund that invests in a broader range of securities. The specific risks faced by such portfolio companies include:

- rapidly changing technologies;
- new competing products and improvements in existing products that may quickly render existing products or technologies obsolete;
- scarcity of management, technical, research and marketing personnel with appropriate training;
- the possibility of lawsuits related to intellectual property rights; and
- rapidly changing investor sentiments and preferences with regard to consumer product or service sector investments (which are generally perceived as risky).

**Focused Investment Strategy:** CAVU will be focused on identifying investments in seed, early, mid and late stage consumer product or service companies and may not enjoy the reduced risks of a broadly diversified portfolio. Accordingly, Clients will not enjoy the reduced risks of a broadly diversified portfolio. A specific investment focus is inherently more risky and could cause portfolio companies to be more susceptible to particular economic, political, regulatory, technological or industry conditions or occurrences compared with a fund, or a portfolio of funds, that is more diversified or has a broader industry focus.

**Special Purpose Acquisition Companies:** CAVU Funds/SPVs may in the future invest in securities issued by special purpose acquisition companies ("SPACs") and their sponsors, and other similar, publicly-traded blank check entities or blind pools. Those investments are speculative, involve a higher degree of risk than more traditional investments, are not suitable for all investors and

are intended for experienced and sophisticated investors who are willing to bear the high economic risk of the investment. A SPAC is a "blank check" public company, the purpose of which is to identify merger, acquisition or other transformative transactions and consummate such transactions with one or more operating businesses or assets. SPACs have no operating history and, at the time that a CAVU Fund/SPV invests in a SPAC, the SPAC typically has not conducted any discussions or made any plans, arrangements, or understandings with any prospective transaction targets. Accordingly, there is a limited basis (if any) on which to evaluate the SPAC's ability to achieve its business objective. While certain SPACs are formed to make transactions in specified market sectors, others are complete "blank check" companies, and the management of the SPAC may have limited experience or knowledge of the market sector in which the transaction is made. Accordingly, at the time that CAVU invests in a SPAC, there may be little or no basis for CAVU to evaluate the possible merits or risks of the particular industry in which the SPAC may ultimately operate or the target business which the SPAC may ultimately acquire.

A SPAC will not generate any revenues until, at the earliest, after the consummation of a transaction. To the extent that a SPAC completes a business combination, it will be affected by numerous risks inherent in the business operations of the acquired company or companies. While a SPAC is seeking a transaction target, its stock may be thinly traded. The economic model for a SPAC depends on there being a viable market for its stock and warrants prior to consummation of a transaction. There can be no assurance that such a market will develop, despite the fact that such securities legally are freely tradable (having been publicly offered).

In the event that a SPAC is unable to locate and acquire target companies by the deadline, the SPAC would be forced to liquidate its assets, which could result in losses due to the expenses and liabilities of the SPAC. Investors in a SPAC are subject to the risk that, among other things, (i) the SPAC is unable to locate or acquire target companies by the deadline, (ii) assets in the trust are subject to third party claims against the SPAC, which could reduce the per share liquidation price received by the investors in the SPAC, (iii) the SPAC is exempt from the rules promulgated by the SEC to protect investors in "blank check" companies, such as Rule 419 promulgated under the Securities Act, so that investors in such SPAC are not afforded the benefits or protections of those rules, (iv) the SPAC is only able to complete one business combination, which causes it to be solely dependent on a single business, (v) the value of any target company decreases following its acquisition by the SPAC, (vi) the value of the funds invested and held in the trust decreases, (vii) the inability to redeem due to the failure to hold the securities in the SPAC on the record date or the failure to vote against the acquisition, (viii) the SPAC is unable to consummate a business combination, and as a result, public stockholders are forced to wait until the deadline before liquidating distributions are made, and (ix) redemption rights make the SPAC unattractive to targets or preclude the SPAC from completing a business combination.

Capital raised through the initial public offering of securities of a SPAC is typically placed into a trust until the target company is acquired or a predetermined period of time elapses. The proceeds of a SPAC IPO that are placed in trust are subject to risks, including the risk of insolvency of the custodian of the funds, fraud by the trustee, interest rate risk and credit and liquidity risk relating to the securities and money market funds in which the proceeds are invested. Many SPACs invest their trust assets in money market funds.

Investment in SPAC sponsors are subject to additional risks, including the potential loss of the entire at-risk investment and the founder shares and warrants becoming worthless if no business combination is completed. Additionally, there has been increasing regulatory scrutiny of SPACs relating to disclosures made to clients and the dissemination of material non-public information. If a SPAC or its management becomes involved in a regulatory investigation, the ability of the SPAC to complete a business combination could be impaired. For these and additional reasons, investments in SPACs and SPAC sponsors are speculative and involve a high degree of risk. Those risks may be exacerbated by the recent proliferation of SPAC IPOs.

**Reliance on the Managing Partners:** The loss of one or more of the Managing Partners could have a significant adverse impact on CAVU and the financial performance of its Clients. No assurances can be given that each of the Managing Partners will continue to be affiliated with CAVU throughout its term. Notwithstanding any prior experience that the Managing Partners have in making investments of the type expected to be made by Clients, any such experience necessarily was obtained under different market conditions and with different technologies at the forefront of development. There can be no assurance that the Managing Partners will be able to duplicate prior levels of success.

**Bridge Financing:** It is possible for CAVU Funds to lend to portfolio companies on a short-term, unsecured basis in anticipation of a future issuance of equity or long-term debt. Such bridge loans would typically be convertible into a more permanent, long-term security; however, for reasons not always in a Fund's control, such long-term securities may not issue, and such bridge loans may remain outstanding. In such event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by a Fund.

**Leverage:** To the extent that any investment is made in a portfolio company with a leveraged capital structure or any portfolio company borrows or enters into other financing transactions requiring periodic payments, such investment will be subject to increased exposure to adverse economic factors such as a significant rise in interest rates, a severe downturn in the economy or deterioration in the condition of such company or its industry. If such a company is unable to generate sufficient cash flow to meet principal and interest payments on its indebtedness, the value of any equity investment by Clients in such company could be significantly reduced or even eliminated.

**Limitations on Investment Disposition and Liquidity:** CAVU expects Clients to exit from its investments in the following principal ways: (a) private sales (including acquisitions of its portfolio companies), (b) recapitalizations; and (c) initial and secondary public offerings. At any particular time, one or both of these avenues may not be open to Clients, or timing with respect to these exit mechanisms may be inopportune. As such, the ability to exit from and liquidate portfolio holdings can be constrained.

**Valuation:** Generally, there will be no readily available market for a substantial number of Client investments and, as a result, most Client investments will be difficult to value. Despite CAVU's efforts to acquire sufficient information to monitor certain of the investments and make well-informed valuation and pricing determinations, CAVU may only be able to obtain limited information at certain times. It is possible that CAVU may not be aware on a timely basis of material adverse changes that have occurred with respect to certain Client investments. CAVU may have to make valuation determinations without the benefit of an adequate amount of relevant information. Prospective

Investors should be aware that as a result of these difficulties, as well as other uncertainties, it is possible that valuation determinations made by CAVU, based on available information, will not represent the fair market value of the securities acquired by Clients.

**Broken Deal Expenses:** Funds, and any parallel funds will incur costs and expenses associated with potential investments that are not consummated. If any such deals were consummated, the Funds and the parallel funds may have invested alongside third-parties, including, without limitation, any actual or potential co-investment partnerships or entities sponsored by the General Partner or its affiliates. For the avoidance of doubt, any costs incurred by a Fund and any parallel funds in connection with unconsummated investments will be borne solely by the Fund and such parallel funds in proportion to their relative commitments, and will not be shared by any such third parties, including, without limitation, any actual or potential co-investment partnerships or entities sponsored by the General Partner or its affiliates (for the avoidance of doubt, regardless of whether such co-investment partnerships or entities exist or have been identified). Fund Investors should note that participants in such co-investment partnerships or entities may be comprised entirely (or almost entirely) of affiliates of CAVU, and the fact that such co-investment partnerships or entities will not bear any broken-deal expenses poses a conflict of interest with a Fund and its Investors.

**No Market; Illiquidity of Limited Partner Interests:** An investment in a Fund or SPV will be illiquid and involves a high degree of risk. There is no public market for such interests, and no public market is expected to develop. Consequently, Investors will bear the economic risks of their investment for the term of the Fund or SPV. Prospective investors will be required to represent and agree that they are purchasing the interests for their own account for investment only and not with a view to the resale or distribution thereof.

**No Assurance of the General Partner's Success in Locating or Investing in Portfolio Companies:** There can be no assurance the General Partner will be able to locate suitable investments for a Client. Although the General Partner will attempt to make investments on behalf of Clients that meet the criteria set forth in the applicable Governing Documents, there is no assurance that such investments can be located. Market and other conditions may require a Client to make investments that offer a lower rate of return or involve a higher degree of risk.

**Change in Laws and Regulations:** The Funds and their investments may be sensitive to changes in law or regulation, particularly those regarding rights and remedies available to holders of certain securities. Changes in law or regulation could severely limit the availability of investments for the Funds or affect the value of their investments or the amount of time it takes for the Funds to acquire and dispose of their investments. The effect of changes in law or regulation may be difficult to predict and may occur at any time.

**Third Party Involvement:** Funds may co-invest with third parties through partnerships, joint ventures or other structures (such as SPVs). Such investments may involve risks not present in investments where a third party is not involved, including the possibility that a third-party co-venturer or partner may at any time have economic or business interests or goals that are inconsistent with those of the applicable Fund, might become bankrupt or may be in a position to take action contrary to the investment objectives of such Fund. In addition, a Fund may in certain circumstances be liable for actions of its third-party co-venturer or partner.

**Competition; Availability of Investments:** Certain markets in which CAVU will invest can be competitive. As a result, there can be no assurance that CAVU will be able to identify or successfully secure attractive investment opportunities in such environments. Further, the Funds' investment strategies and performance may be affected by the number of other investors pursuing similar strategies. Additionally, when other investors pursue similar strategies, CAVU's ability to influence investment outcomes may be affected.

**Cybersecurity:** CAVU and its service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from both intentional cyber-attacks and hacking by other computer users as well as unintentional damage or interruption that, in either case, can result in damage or interruption from computer viruses, network failures, computer and telecommunications failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. A cybersecurity breach could expose both CAVU and its Clients to substantial costs (including, without limitation, those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, adverse investor reaction, the dissemination of confidential and proprietary information and reputational damage), civil liability and regulatory inquiry or action. In addition, any such breach could lead to substantial withdrawals from a Fund. While CAVU has established a business continuity plan in the event of, and risk management strategies, systems, policies and procedures to seek to prevent, cybersecurity breaches, there are inherent limitations in such plans, strategies, systems, policies and procedures including the possibility that certain risks have not been identified. Furthermore, CAVU and the Funds cannot control the cybersecurity plans, strategies, systems, policies and procedures put in place by other service providers to the Funds and/or the portfolio companies in which the Funds invest.

**Litigation:** In the ordinary course of its business, a Fund, SPV, or their portfolio companies may be subject to litigation from time to time. The outcome of such proceedings could materially adversely affect the value of the Fund or SPV and may continue without resolution for long periods of time. Any litigation may consume substantial amounts of the applicable General Partner's and the Managing Partners' time and attention, and that time and the devotion of these resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation.

**Force Majeure:** CAVU, its Funds, SPVs and/or their portfolio companies may be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism, labor strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, demographic changes, government macroeconomic policies, social instability, etc.). Some force majeure events may adversely affect the ability of a party (including a portfolio company or a counterparty to a Client) to perform its obligations until it is able to remedy the force majeure event. These risks could, among other effects, adversely impact the cash flows available from a portfolio company, cause personal injury or loss of life, damage property, or instigate disruptions of service. In addition, the cost to a portfolio company or a Client of repairing or replacing damaged

assets resulting from such force majeure event could be considerable. Force majeure events that are incapable of or are too costly to cure can have a permanently adverse effect on a portfolio company. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or in any of the countries in which the Clients would invest. Additionally, major governmental intervention into industry, including the nationalization of an industry or the assertion of control over one or more portfolio companies or its assets, could result in a loss to the Clients, including if the investment in such portfolio companies is canceled, unwound or acquired (which could be without adequate compensation).

**The risks described above are not a complete list of all risks associated with CAVU's investment strategies. In addition, as CAVU's investment program develops over time, an investment in CAVU-managed vehicle may be subject to additional and different risk factors. Investors should consider the applicability of all the above-cited risks and refer to the applicable Governing Documents for a more complete description of the risks involved in investing in a CAVU managed Fund or SPV.**

#### **Item 9: Disciplinary Information**

CAVU and its management persons have not been involved in any legal or disciplinary events that are material to an Investor's evaluation of CAVU's investment advisory business or the integrity of CAVU's management.

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

##### **A. Management Persons as Registered Broker-Dealers**

Not applicable to CAVU.

##### **B. Management Persons as Future Commissions Merchants or Commodities Traders**

Not applicable to CAVU.

##### **C. Material Relationships with Related Persons**

CAVU has no material relationships or arrangements with a related person who is a broker-dealer, investment company, financial planning firm, commodity pool operator, commodity trading adviser or futures commission merchant, banking or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer or any sponsor or syndicator of limited partnerships (outside its own General Partners). CAVU has developed and will continue to develop relationships with professionals who provide services such as legal, accounting, banking, tax preparation, insurance brokerage and other personal services. However, none of the above relationships create a material conflict of interest with any Clients or their Investors.

As outlined in Item 7.A.1 of the Adviser's Form ADV Part 1A, the Adviser shares common control with separately affiliated general partner entities. Each of these General Partner entities serves as a sponsor to a Fund or SPV for which the Adviser serves as the management company.



Certain employees of CAVU will serve as directors and officers of certain portfolio companies, and in that capacity, will be required to make decisions that consider the best interests of such portfolio companies and their respective shareholders, including the Clients. In certain circumstances, for example in situations involving bankruptcy or near-insolvency of a portfolio company, actions that are in the best interests of the portfolio company may not be in the same best interests of the Clients that are shareholders, and vice versa. Accordingly, in these situations, there will be conflicts of interest between such individuals' duties as an employee of CAVU and such individuals' duties as a director or officer of such portfolio company.

As described elsewhere in this Brochure, CAVU has in the past, and will in the future, have unaffiliated strategic relationships with co-investors who invest alongside CAVU in portfolio companies, typically through SPVs or other direct investment structures. CAVU is of the belief that such strategic relationships do not disadvantage its Clients.

#### **D. Selection of Other Investment Advisers**

Not applicable to CAVU.

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

#### **A. Code of Ethics**

CAVU has adopted a Code of Ethics (the "Code") that is designed to meet the requirements of Rule 204A-1 of the Investment Advisers Act of 1940 (the "Advisers Act"). CAVU's Code covers standards for business conduct, fiduciary standards, compliance with federal securities laws, reporting violations, and personal securities transactions (including reporting and limitations), among other things. CAVU's Compliance Manual also sets forth policies and procedures in employee conduct-related areas, including conflicts of interest, insider trading, gifts and entertainment, outside business activities, and political and charitable contributions.

The Code applies to all CAVU personnel and sets forth a standard of business conduct that addresses CAVU's fiduciary duty as an investment adviser to its Clients. The Code requires CAVU personnel to comply with applicable federal securities laws, and to promptly bring any violations of the Code to the attention of CAVU's Chief Compliance Officer. All personnel are provided with a copy of the Code and are required to acknowledge receipt and understanding of the Code on at least an annual basis.

As required by the Code, all CAVU personnel must provide an initial list of personal securities accounts and holdings. Thereafter, CAVU requires its personnel to report their securities transactions on a quarterly basis and to disclose their securities holdings on an annual basis. All CAVU personnel must pre-clear transactions involving initial public offerings ("IPOs") and limited offerings (i.e., private placements) as required by Rule 204A-1. The Code also contains other restrictions on the investment activities of its employees.

CAVU will provide a copy of its Code to any existing or prospective Investor upon request to its Chief Compliance Officer, who is reachable using the contact information provided in Item 1: Cover Page.

## **B. Conflicts of Interest in Connection with Investment Recommendations or Transactions**

As outlined in Items 4 and 10 above, CAVU serves as the investment manager to the Funds and SPVs that are offered to Investors. CAVU and certain of its partners, members, manager, managing partners, officers, employees, consultants, affiliates, and respective family members and affiliates may invest directly in Funds or SPVs and are afforded waiver of certain Management Fees or Carried Interest allocations ordinarily borne by Investors. CAVU recognizes the potential conflicts of interest that may arise when such personnel invest in Funds and SPVs it manages.

From time to time, the Clients will invest in companies in which CAVU's managing partners or any of their affiliates or any entity managed or operated or controlled by any of them holds an interest, and these parties may obtain their interest in such companies at or about the same time. These transactions require consent by the applicable Client's Advisory Committee (i.e., a committee of Investors appointed by CAVU). Additionally, a Client may enter into transactions between the Client and any CAVU-related person or entity on arms' length terms that are no less favorable to the Client than they would be to another unaffiliated third party.

Clients may in the future hold an ownership interest in the sponsor of a SPAC, and certain CAVU personnel may serve on the board of directors of such SPAC or its sponsor. If such SPAC seeks to acquire a target company in which a Client is an investor, the CAVU personnel that serve on the board of directors of such SPAC or its sponsor will have conflicting duties to the applicable Client and to the SPAC. CAVU addresses this conflict by requiring any CAVU personnel who serve on the board of directors of a SPAC or its sponsor to recuse themselves from all discussions and board actions related to the potential acquisition of a target company in which a Client is an investor.

CAVU addresses these potential conflicts through its Code, which requires CAVU to act in the best interest of the Clients and Investors, through regular monitoring of the Clients' portfolios, and through its other policies and procedures.

If any matter arises that CAVU determines in good faith to constitute an actual conflict of interest, CAVU will take actions as may be necessary or appropriate, within the context of the Code, CAVU's Compliance Manual, and/or the applicable Governing Documents, to disclose and/or ameliorate the conflict.

## **C. Personal Trading by Firm Personnel in Securities Recommended to Clients**

Please see the response to Item 11.B above.

## **D. Conflicts of Interest in Connection with Investment Recommendations or Transactions**

Please see responses to Items 11.A and B above.

## **Item 12: Brokerage Practices**

### **A. Selection and Recommendation of Broker-Dealers**

**General Brokerage Practices:** CAVU primarily focuses on making investments in private securities; thus, it does not ordinarily deal with any financial intermediary such as a broker-dealer in the public markets, and commissions are not ordinarily payable in connection with such investments. To the limited extent CAVU transacts in public securities, it intends to select brokers based upon the broker's ability to provide best execution for the Clients. CAVU is generally authorized to make the following determinations, subject to the Clients' investment objectives and restrictions, without obtaining prior consent from the relevant Fund or SPV or any of its Investors: (1) which securities or other instruments to buy or sell; (2) the total amount of securities or other instruments to buy or sell; (3) the executing broker or dealer for any transaction; and (4) the commission rates or commission equivalents charged for transactions.

In making its decisions regarding the allocation of brokerage transactions for Clients, CAVU will consider a variety of factors including but not limited to:

- Liquidity
- Geographic location
- Financial condition
- Price
- Transaction costs
- Speed of execution
- Expertise transacting in the relevant type of Security
- Administrative competence

Although CAVU generally seeks competitive commission rates and commission equivalents, it will not necessarily pay the lowest commission or equivalent. Transactions may involve specialized services on the part of a broker-dealer, which may justify higher commissions and equivalents than would be the case for more routine services.

**Research and Other Soft Dollar Benefits:** CAVU does not participate in any soft dollar arrangements with broker-dealers. Any incidental research received from broker-dealers is supplemental to CAVU's own research efforts and may be used for the benefit of any Client. To the best of CAVU's knowledge, such research is generally made available to all institutional investors doing business with such broker-dealers. CAVU does not separately compensate such broker-dealers for the research and does not believe that it "pays-up" for such broker-dealers' services. In addition, CAVU believes that any information received from a broker-dealer is consistent with the safe harbor for brokerage and research services under Section 28(e) of the Securities Exchange Act of 1934. To the extent CAVU establishes formal or informal soft dollar arrangements with broker-dealers, it will establish policies and procedures to ensure such arrangements are within the safe harbor afforded by Section 28(e) as noted in the preceding sentence.

**Brokerage for Client Referrals:** Not applicable to CAVU.

**Directed Brokerage:** Not applicable to CAVU.

## **B. Aggregation of Securities Transactions**

CAVU generally will not aggregate the purchase or sale of securities directly invested in by the Funds

due to differences in operational terms of the Funds (which makes it inefficient to aggregate such orders). In addition, such aggregation of orders has not proven to result in any cost savings to the Funds. Although CAVU will not generally aggregate orders for investments in Funds, CAVU reserves the right in the future to form special purpose vehicles to make such investments for a number of Funds.

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

#### **A. Periodic Review of Client Accounts**

Client portfolios are under continuous review by CAVU. In addition, as noted in Item 8 above, CAVU intends to provide extensive ongoing assistance to and monitoring of portfolio companies through active board participation and assistance in areas such as strategy, recruiting, finance and business development. CAVU will have significant interaction with senior management in the day-to-day operations of the portfolio company and key strategic decisions.

#### **B. Other-Than-Periodic Review of Client Accounts**

Please refer to Item 13.A above.

#### **C. Reports**

Fund Investors receive unaudited, condensed quarterly performance reports. As described in Item 15, Investors participating in Funds or SPVs subject to audit will receive audited financial statements on an annual basis.

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

#### **A. Other Compensation for Provision of Investment Advice**

Not applicable to CAVU.

#### **B. Compensation to Unsupervised Persons for Client Referrals**

From time to time, CAVU may engage third-party placement agents to refer prospective investors for participation in a Fund or SPV. Costs associated with such placement agents are generally borne by the applicable Fund with a corresponding offset to the Management Fee payable by such Fund.

CAVU does not receive economic benefits from any third party for providing investment advisory services to the Funds or SPVs.

### **Item 15: Custody**

The Adviser is deemed to have custody of the Client assets by virtue of the fact that affiliates of the Adviser serve as the general partner or manager to the Funds and SPVs. Accordingly, CAVU complies with the custody requirements applicable to registered investment advisers pursuant to Advisers Act Rule 206(4)-2 (the “Custody Rule”). All of the Funds’ and SPVs’ assets, except for certain uncertificated securities purchased in private transactions (as further described below), are held with one or more “qualified custodians” as defined in the Custody Rule (i.e., banks or broker-dealers) that

are unaffiliated with CAVU.

CAVU is exempt from the quarterly account statement delivery obligations and surprise audit requirement of the Custody Rule because each of the Funds and SPVs are audited annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, in accordance with its rules. Additionally, the audited financial statements of each Fund or SPV are prepared in accordance with United States generally accepted accounting principles and are distributed to each Investor within 120 days of the end of the relevant Fund's fiscal year.

CAVU's investment program primarily involves investments in certain private companies. As such, CAVU generally will be exempt from the requirement that securities for such private companies be maintained with a "qualified custodian" when such securities are (i) acquired from the issuer in a transaction or chain of transactions not involving any public offering; (ii) uncertificated, to the extent ownership thereof is recorded only on the books of the issuer or its transfer agent in the name of the client; and (iii) transferable only with prior consent of the issuer or holders of the outstanding securities of the issuer.

#### **Item 16: Investment Discretion**

CAVU has discretionary authority to manage investment portfolios on behalf of its Clients. CAVU is authorized to make transaction recommendations for the Clients, subject to the terms of the Governing Documents.

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

##### **A. Proxy Voting Policy**

CAVU primarily invests in issuers that are not publicly traded, so CAVU rarely has the opportunity to vote proxies on behalf of the Funds. However, to the extent CAVU does vote proxies, CAVU understands and appreciates the importance of proxy voting. If a voting opportunity does arise where CAVU has discretion to vote the proxies of the Clients, CAVU will vote with diligence, care, and loyalty in the best interests of the Clients and their Investors.

The Chief Compliance Officer or their designee coordinates CAVU's proxy voting process. CAVU has adopted proxy voting procedures designed to ensure that proxies are properly identified and voted, and that any conflicts of interest are addressed appropriately. In the presence of a conflict of interest, CAVU will either abstain from voting, or will ensure that it can demonstrate that the vote was cast in the best interests of the Clients.

Although not intended to be used on a regular basis, CAVU may retain an independent third party to vote proxies in certain situations (including situations where a material conflict of interest is identified).

If you would like detailed information on CAVU's status as a voter of proxies or the manner in which any proxies were actually voted, please contact the Chief Compliance Officer using the information provided in Item 1: Cover Page.

##### **B. Inability to Vote Client Securities**

Not applicable to CAVU.

**Item 18: Financial Information**

**A. Prepayment of Fees (Six Months or More)**

Not applicable to CAVU. The Adviser does not require prepayment of fees in excess of \$1,200, six months or more in advance.

**B. Discretion Over Prepaid Fees and Financial Condition**

Not applicable to CAVU. The Adviser does not require prepayment of fees in excess of \$1,200, six months or more in advance. The Adviser is not aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to its Clients.

**C. Bankruptcy**

Not applicable to CAVU. The Adviser has never filed for bankruptcy.

**Item 19: Requirements for State-Registered Advisers**

Not applicable to CAVU.