

# Sunderland Capital Partners LP

## ADV Part 2A The “Brochure”

121 High Street  
Floor 3  
Boston, MA 02110

March 28, 2023

CRD No: 282785

This Brochure provides information about the qualifications and business practices of Sunderland Capital Partners LP (hereafter “**Sunderland Capital**”, “**we**”, “**us**”, “**our**”, the “**Firm**”, or the “**Investment Manager**”). If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer (“**CCO**”), Thomas Bushey email [tom.bushey@sunderlandcapital.com](mailto:tom.bushey@sunderlandcapital.com).

Sunderland Capital Partners LP is a registered investment adviser with the United States Securities and Exchange Commission (“**SEC**”). Registration as an investment adviser does not imply that Sunderland Capital Partners LP or any of its principals or employees possess a particular level of skill or training in the investment advisory business or any other business. The information in this Brochure has not been approved or verified by the SEC or by any other state securities authority. This Brochure provides information about Sunderland Capital Partners LP to assist you in determining whether to retain the adviser.

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

**Item 2: Material Changes**

This Brochure is Sunderland Capital's annual amendment for 2023. Since the last amendment in September 2022, there have been no material updates to this Brochure.

**Item 3: Table of Contents**

Item 2: Material Changes .....	2
Item 4: Advisory Business.....	4
Item 6: Performance-Based Fees and Side-By-Side Management.....	5
Item 7: Types of Clients .....	6
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss.....	6
Item 9: Disciplinary Information.....	9
Item 10: Other Financial Industry Activities and Affiliations .....	9
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	9
Item 12: Brokerage Practices.....	10
Item 13: Review of Accounts.....	11
Item 14: Client Referrals and Other Compensation .....	11
Item 15: Custody .....	12
Item 16: Investment Discretion .....	12
Item 17: Voting Client Securities.....	12
Item 18: Financial Information .....	12

**Item 4: Advisory Business**

Sunderland Capital Partners LP is a Delaware limited partnership founded by Thomas Bushey, the principal owner of the Firm, in January 2016. Mr. Bushey serves as Sunderland Capital's Managing Member and Chief Compliance Officer.

***Private Fund Portfolio Management***

Sunderland Capital provides discretionary investment management services to collective investment funds that are not registered as investment companies (the "Private Funds") and a sub-advised account for a registered investment adviser (the "**Sub-Advised Account**"). The Private Funds that are managed by Sunderland Capital include:

- Sunderland Capital Onshore Fund LP (the "**Onshore Fund**")
- SCP Opportunities Fund LLC Series A (the "**Series-A Fund**")
- SCP Opportunities Fund LLC Series B (the "**Series-B Fund**")
- SCP Oasis Holding Company LLC (the "**SCP Oasis Fund**")

The Private Funds and Sub-Advised Account are managed pursuant to the objectives specified in the materials by which each Private Fund offers its ownership interests to investors and the investment management agreement offered by the Sub-Advised Account. The Onshore Fund is organized as (i) limited partnerships, where an affiliate of Sunderland Capital (Sunderland Capital GP LLC) acts as the general partner (each a "**General Partner**") and each investor in that Private Fund is a "**Limited Partner**", where Sunderland Capital acts as investment manager.

Sunderland Capital also acts as an investment manager for the Series-A Fund, Series-B Fund and the SCP Oasis Fund. Sunderland also acts as investment manager to a Sub-Advised Account.

***Amount of Managed Assets***

As of December 31, 2022, Sunderland Capital had assets under discretionary management of approximately \$30,909,206 and no assets under non-discretionary management.

**Item 5: Fees and Compensation*****Private Funds***

In consideration for the investment management services to be provided by the Firm, the Onshore Fund will generally pay Sunderland Capital a quarterly management fee (the "**Management Fee**") as set forth in the relevant supplement to the Private Fund offering documents. For performance reporting purposes, the Management Fee paid in advance will be amortized in three monthly instalments each quarter. The Series-A Fund does not pay a management fee for the management services provided by the Firm.

The Firm may waive, reduce or rebate the Management Fee with respect to the capital accounts of certain investors, including affiliates of Sunderland Capital GP LLC, the general partner of the Onshore Fund (the "**General Partner**") and/or the Firm; provided, however, that no such waiver, reduction or rebate will adversely impact any other investor or cause them to bear a higher portion of the Management Fee than they would bear absent such waiver, reduction or rebate.

The Sub-Advised Account pays a fee in advance to the Firm.

In addition, each Private Fund also typically pays a performance-based fee or profit allocation of

the net realized and unrealized capital appreciation in the Private Fund. This performance-based compensation is subject to waiver by Sunderland Capital, in its sole discretion, and may be waived for certain Limited Partners in a Private Fund. Sunderland Capital may waive the performance-based compensation for certain affiliates of Sunderland Capital (the General Partners of the Private Funds), and family members of the Principals of the General Partner of the Private Fund. The performance-based compensation is charged only on profits in excess of a Private Fund's previous "high water mark."

Under the terms of the written agreement with Sunderland, the Sub-Advised Account will also receive a performance-based fee.

### ***Other Fees***

The Firm will bear all of its own normal and recurring operating expenses and overhead costs incurred in connection with the investment and other management services that it will provide to the Private Funds, including marketing expenses and travel expenses (other than investment related travel expenses), except that research and brokerage products and services expenses incurred by the Firm may be paid for through the permitted use of "soft dollars" (as described below). The Management Fee may exceed the expenses borne by the Firm on behalf of the Onshore Fund.

The Sub-Advised Account pays expenses according to the specific terms of the written agreement with Sunderland Capital.

Sunderland Capital and its employees do not accept compensation, including sales charges or service fees, from any person for the sale of securities or other investment products.

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

The General Partner will generally receive a performance allocation (the "**Performance Allocation**") from the Onshore Fund that will be based, in part, on unrealized investment gains that may never be realized in the event of adverse changes in the value of such investments.

The General Partner shall still be entitled to a reduced Performance Allocation from the Onshore Fund notwithstanding the fact that past losses of have not been fully recovered. Such reduced Performance Allocation will continue to apply even after past losses have been fully recovered, until such time as an investor's loss recovery sub-account has been credited with 250% of any net losses allocated to such investor's sub-account for prior years. Valuation determinations made by the Firm, subject to the overall direction of the General Partner, which will be conclusive and binding, may affect the amount of the Management Fee and Performance Allocation.

The Firm will generally receive a performance allocation from the Series-A Fund, and Sub-Advised Account that will be based, in part, on unrealized investment gains that may never be realized in the event of adverse changes in the value of such investments.

Such Performance Allocation arrangement may create an incentive for the Firm, to make investments that are riskier or more speculative than would be the case if such arrangement were not in effect. Such arrangements may also create an incentive to favor higher paying accounts over other accounts in the allocation of investment opportunities. Sunderland Capital has designed and implemented procedures to ensure that all Private Funds and investors are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among the Private Funds. Sunderland Capital's procedures also require the objective allocation for the Private Funds to ensure fair and equitable allocation among accounts. These areas are monitored by the CCO.

**Item 7: Types of Clients**

The Firm's clients are the Private Funds and the Sub-Advised Account.

The minimum initial capital contribution for each investor in the Private Funds is \$5,000,000, with lesser amounts accepted subject to the sole discretion of Sunderland Capital, and investors must meet certain regulatory standards, as described in each Private Fund's Private Placement Memorandum.

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

The Firm's investment objective is to provide superior risk adjusted returns over a full market cycle. The Firm will seek to generate attractive absolute returns and minimize the probability of permanent loss of capital through active management of the Private Funds and the Sub-Advised Account. The Firm expects to conduct deep fundamental analysis and will use its industry knowledge and experience in complex situations to seek to identify mispriced securities. The Firm will seek to achieve long-term capital appreciation by managing a portfolio of securities (primarily U.S. and international listed equities, and equity options) to maximize returns, supplemented by the use of effective short selling and hedging techniques intended to reduce risk and/or enhance returns. Additionally, the Private Funds may invest in high yield securities and other debt securities, special situations, non-public securities, and other instruments, all of which tend to be less correlated with the U.S. equity market.

The Firm will seek to identify key investment opportunities that form the core portfolio. Fundamental analysis will be used to assess risk, gauge market sentiment and identify securities with the most attractive risk/reward characteristics. The Firm will allocate capital according to its assessment of overall market direction and risk, as well as the availability of specific opportunities that meet its investment criteria. The Firm will seek to generate profits on both its long and short positions, and at various times, may maintain either a net long or net short portfolio exposure. In addition, the Firm may use index futures, exchange-traded funds (ETFs) and options either to hedge against adverse moves in the broader market and individual positions, or to further capitalize upon prevailing trends.

Long term investing is a core part of the Firm's strategy but holding periods for portfolio positions will vary depending on the availability of attractive longer-term and shorter-term investment opportunities. The Private Funds may experience greater turnover at certain times, especially during periods of heightened volatility when more compelling short-term opportunities and security mis-pricings may arise. In an effort to maximize returns, at times the Private Funds will also employ leverage (including through derivatives) in the sole and absolute discretion of the Firm. Leverage will be employed to the extent that the Firm believes it can generate investment returns that exceed the cost of leverage, and based upon the Firm's assessment of market, sector, and individual security risk. The investments of the Private Funds may also be concentrated at times, potentially creating greater volatility and risk in the Private Funds' performance. The Firm believes that, in seeking profitable investment opportunities for the Private Funds, it is important to have maximum flexibility. Therefore, the investment strategies used by the Private Funds, the types of investments held by the Private Funds and the geographic focus of the Private Funds may vary over time as market conditions change.

There can be no assurance that each Private Fund's or the Sub-Advised Account's investment objective will be achieved, and certain investment practices (e.g., the use of leverage, short sales, and the concentration of investments) may, in some circumstances, increase any adverse impact to which each Private Fund's investment portfolio may be subject.

***Risk of Loss Factors***

Investing in securities involves risk of loss that investors should be prepared to bear. Investors should consider the following factors before investing in the Private Funds or the Sub-Advised Account. The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Private Funds or the Sub-Advised Account. Prospective investors are urged to consult their professional advisers and review the legal documents for each particular Fund and the Sub-Advised Account before deciding to make an investment in a Fund.

**Equity Securities Generally.** The Private Funds will invest in equity and equity-related securities in primarily the U.S. but also in other countries. The value of these financial instruments generally will vary with the performance of the issuer and movements in the equity markets. As a result, the Private Funds may suffer losses if it invests in equity instruments of issuers whose performance diverges from the Firm's expectations or if equity markets generally move in a single direction and the Private Funds have not hedged against such a general move.

**Undervalued and Overvalued Equity Securities.** The Private Funds' investment strategies will also focus on investing in companies that the Firm believes are undervalued and overvalued. Opportunities in undervalued equity securities arise from market inefficiencies or due to a lack of wide recognition of the potential impact (positive or negative) that earnings events or trends may have on the value of a security. Opportunities in overvalued equity securities may arise when a stock's earnings will be less than analysts' published consensus, and, therefore, the stock price is expected to drop. Overvaluation may result from an emotional buying spurt, which inflates the stock's market price, or from a deterioration in a company's financial strength. The identification of investment opportunities in undervalued and overvalued securities is a difficult task, and there is no assurance that such opportunities will be successfully recognized or acquired. While investing long in undervalued securities and investing short in overvalued securities present opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Furthermore, investing in these securities carries additional risk as other managers with similar positions could be forced to unwind and drive security pricing in a manner adverse to the Private Funds.

**Use of Leverage.** The Firm expects may leverage the Private Funds' portfolios through margin and other debt in order to increase the amount of capital available for investments. Although leverage increases returns to the Partners if a Private Fund earns a greater return on the incremental investments purchased with borrowed funds than it pays for such funds, the use of leverage decreases returns to the Partners if the Private Fund fails to earn as much on such incremental investments as it pays for such funds. In the event that a Private Fund leverages its portfolio, fluctuations in the market value of the Fund's portfolio will have a significant effect in relation to the Private Fund's capital and the risk of loss and the possibility of gain will each be increased. In addition, when a Private Fund utilizes leverage, the level of interest rates generally, and the rates at which the Private Fund can borrow in particular, will be an expense of the Private Fund and therefore affect the operating results of the Private Fund. Leverage increases the risk of substantial losses (including the risk of a total loss of capital), and leverage can significantly magnify the volatility of the Private Fund's portfolio.

The Private Funds may use short-term margin borrowing in purchasing securities positions. Such borrowing, if made, may result in certain additional risks to the Private Funds. For example, should the securities pledged to brokers to secure a Private Fund's margin accounts decline in value, the Private Fund could be subject to a "margin call" pursuant to which the Private Fund would be required to either deposit additional funds with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden, precipitous drop in value of the Private Fund's assets, the Private Fund might not be able

to liquidate assets quickly enough to pay off its margin debt.

**Short Sales.** The Firm will engage in short sales as part of hedging transactions or when it believes securities are overvalued. Short sales are sales of securities the Private Fund borrows but does not actually own, usually made with the anticipation that the prices of the securities will decrease and the Private Fund will be able to make a profit by purchasing the securities at a later date at the lower prices. The Private Fund will incur a potentially unlimited loss on a short sale if the price of the security increases prior to the time it purchases the security to replace the borrowed security. A short sale presents greater risk than purchasing a security outright since there is no ceiling on the possible cost of replacing the borrowed security, whereas the risk of loss on a “long” position is limited to the purchase price of the security. Closing out a short position may cause the security to rise further in value creating a greater loss. Short sale transactions have been subject to increased regulatory scrutiny in response to market events in recent years, including the imposition of restrictions on short selling certain securities and reporting requirements. A Private Fund’s ability to execute a short selling strategy may be materially adversely impacted by temporary and/or new permanent rules, interpretations, prohibitions, and restrictions adopted in response to these adverse market events. Temporary restrictions and/or prohibitions on short selling activity may be imposed by regulatory authorities with little or no advance notice and may impact prior trading activities of the Private Fund. Additionally, the SEC, its foreign counterparts, other governmental authorities and/or self-regulatory organizations may at any time promulgate permanent rules or interpretations consistent with such temporary restrictions or that impose additional or different permanent or temporary limitations or prohibitions. The SEC might impose different limitations and/or prohibitions on short selling from those imposed by various non-U.S. regulatory authorities. These different regulations, rules or interpretations might have different effective periods.

Regulatory authorities may impose restrictions that adversely affect the Private Fund’s ability to borrow certain securities in connection with short sale transactions. In addition, traditional lenders of securities might be less likely to lend securities under certain market conditions. As a result, the Private Fund may not be able to effectively pursue a short selling strategy due to a limited supply of securities available for borrowing. The Private Fund may also incur additional costs in connection with short sale transactions, including in the event that it is required to enter into a borrowing arrangement in advance of any short sales. Moreover, the ability to continue to borrow a security is not guaranteed and the Private Fund may be subject to strict delivery requirements. The inability of the Private Fund to deliver securities within the required time frame may subject the Private Fund to mandatory close out by the executing broker-dealer. A mandatory close out may subject the Private Fund to unintended costs and losses. Certain action or inaction by third parties, such as executing broker-dealers or clearing broker-dealers, may materially impact the Private Fund’s ability to effect short sale transactions. Such action or inaction may include a failure to deliver securities in a timely manner in connection with a short sale effected by a third-party unrelated to the Private Fund.

**Concentration of Investments.** A Fund’s portfolio may, from time to time, be concentrated in a particular type of security, industry, geographic location or market capitalization. This may be the result of the Private Fund’s opportunistic investing, external market forces or the lack of liquidity in one security as compared to other securities the Private Fund holds. Losses incurred in a position making up a significant percentage of a Private Fund’s capital could have a material adverse effect on the Private Fund’s overall financial condition. This limited diversity could expose the Private Fund to significantly greater volatility than in a more diversified portfolio.

**Long-term and Illiquid Investments.** A Sunderland Capital Fund may invest in securities which are subject to legal or other restrictions on transfer or for which no liquid market exists. The Fund may not be able to sell such securities when it desires to do so or to realize what it perceives to be their fair value in the event of a sale. The sale of restricted and illiquid securities often requires



more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. Market prices for such securities are often volatile and may not be ascertainable, and restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale. Such investments may be difficult to value. In particular, the Series-A Fund only holds a single illiquid investment that it is expected will continue to be held for an unknown period of time.

**Item 9: Disciplinary Information**

The Firm has not been subject to any disciplinary action, whether criminal, civil or administrative (including regulatory) in any jurisdiction. Likewise, no persons involved in the management of the Firm have been subject to such action.

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

The management and employees of Sunderland Capital plan to dedicate substantially all their professional efforts to the Firm and its affiliates.

The Firm and its employees do not have any relationships or arrangements with other financial services companies that pose material conflicts of interest.

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

Sunderland Capital serves as the investment adviser to the Private Funds and the Sub-Advised Account. Employees, affiliates of the employees, and relatives of the employees may make investments in the Private Funds and the Sub-Advised Account.

Sunderland Capital maintains an employee personal trading policy which is restrictive and aimed at mitigating any potential conflict of interest between the Private Funds' investments and those of Sunderland Capital employees. In general, employees are very limited in the extent to which they are permitted to engage in personal trading.

Additionally, the Firm's principals and employees do not purchase any securities for their own accounts from the Private Funds and the Sub-Advised Account.

***Code of Ethics and Personal Trading***

The Firm has adopted a Code of Ethics that establishes various procedures with respect to investment transactions in accounts in which Sunderland Capital employees or related persons have a beneficial interest or accounts over which an employee has investment discretion.

The foundation of the Code of Ethics is based upon the following underlying fiduciary principles, the Employees must:

- At all times place the interests of the Private Funds first;
- Make sure that all personal securities transactions are conducted consistent with the Code of Ethics; and
- Not take inappropriate advantage of their position at Sunderland Capital.

All Sunderland Capital employees are deemed to be "Access Persons" and are required to adhere to a comprehensive Code of Ethics, which cover the duty of confidentiality as well as personal

trading. All employees are required to certify their adherence to the terms set forth in the Code of Ethics upon commencement of employment and quarterly thereafter.

Sunderland Capital employees are not permitted to maintain personal brokerage accounts for the purpose of trading equity securities, options on equities, futures or commodities, except for the purpose of holding or liquidating any such holdings after the commencement of employment at Sunderland. Employees are permitted to liquidate positions held at the time of employment subject to pre-clearance by the CCO.

All Sunderland Capital employees must direct their brokers to send duplicate copies of personal discretionary brokerage account statements to the CCO. These records are used to monitor compliance with the Firm's employee personal trading policies.

Employees must also obtain pre-approval from the CCO before engaging in any outside business activities or private investments, or receiving an allocation of an Initial Public Offering ("IPO").

### ***Insider Trading Policies and Procedures***

Sunderland Capital maintains insider trading policies and procedures that are designed to prevent the misuse of material, non-public information. Among other things, such policies seek to control and monitor the flow of inside information to and within Sunderland Capital, as well as prevent trading based on inside information. On a periodic basis, Sunderland Capital employees are required to attest to their compliance with the insider trading policies which are set forth in the Compliance Manual and Code of Ethics.

Sunderland Capital's Code of Ethics is available to investors upon request.

### **Item 12: Brokerage Practices**

Sunderland Capital is authorized to determine the broker or dealer to be used for each securities transaction for the Private Funds. In selecting brokers or dealers to execute transactions, Sunderland Capital does not need to solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not Sunderland Capital's practice to negotiate "execution only" commission rates, thus the Private Funds may be deemed to be paying for research, brokerage or other services provided by the broker which are included in the commission rate. Sunderland Capital shall also have the authority to select and appoint custodians of the assets of the Private Funds. The Firm's authority is limited by its own internal policies and procedures and each Fund's investment guidelines.

In selecting an appropriate broker-dealer to effect a client trade, the Firm seeks to obtain "best execution," meaning generally the execution of a securities transaction for a client in such a manner that a client's total costs or proceeds in the transaction are most favorable under the circumstances. Accordingly, in seeking best execution, the Firm takes into consideration the price of a security offered by the broker-dealer, as well as a broker-dealers' full range and quality of their services including, among other things, their facilities, reliability and financial responsibility, execution capability, commission rates, responsiveness to us, brokerage and research services provided to us (e.g., research ideas, analysis, and investment strategies), special execution and block positioning capabilities, clearance, and settlement and custodial services.

### ***Aggregation***

Sunderland Capital will aggregate trades where possible and when advantageous to clients. This aggregation of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rata

basis between all accounts included in any such block

The Firm maintains accounts at Morgan Stanley & Co. LLC, through which Sunderland Capital may execute trades, borrow securities and maintain custody of securities.

The Firm reserves the right, in its sole discretion, to change brokerage and custodial arrangements for the Private Funds without further notice to investors.

### ***Allocation***

Sunderland Capital's policy prohibits any allocation of trades in a manner that results in more favorable treatment for the Firm's proprietary accounts, affiliated accounts, or any Funds.

The Firm has adopted a policy for the fair and equitable allocation of transactions that generally analyses each trade, taking into consideration the specifics of each trade and the characteristics of each Fund.

### ***Soft Dollars***

The Firm may use "soft dollars" generated by the Private Funds' trading activities to purchase research services or products that would otherwise have been an expense of Sunderland Capital. The Firm intends to keep any such arrangements within the parameters of Section 28(e) of the United States Securities Exchange Act of 1934, as amended.

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

### ***Review of Accounts***

The Firm's portfolio managers and investment professionals continuously monitor and analyze the transactions, positions, and investment levels of the Private Funds to ensure that they conform to the investment objectives and guidelines that are stated in the investment advisory agreements and the Private Fund offering documents. In these reviews, the Firm pays particular attention to any changes in the investment's fundamentals, overall risk management and changes in the markets that may affect price levels. Sunderland Capital engages in active management for the Private Funds and the Firm review transactions, positions and cash balances on a daily basis.

### ***Reporting***

The Firm will distribute annual audited financial statements to the investors in the Private Funds within 120 days of the Firm's fiscal year-end. In addition, the Firm distributes reports to investors in the Private Funds, which include monthly tear sheets, quarterly investment letters and quarterly investor statements from the fund administrator, and annual K-1s.

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

In general, Sunderland Capital does not use solicitors or pay related or non-related persons for referring potential client accounts to Sunderland Capital. Sunderland Capital does, however, pay certain broker-dealers or registered representatives a portion of the management fee and performance-based compensation received from investors in a Private Fund referred to Sunderland Capital by the broker-dealer or registered representative.

It is Sunderland Capital's policy not to accept or allow our related persons to accept anything of value, either directly or indirectly, from broker-dealers or other persons providing services to

Sunderland Capital in exchange for any action being taken by such person on behalf of Sunderland Capital or any of the client accounts or that might otherwise create a conflict of interest or interfere with the impartial discharge of his or her responsibilities to the client accounts.

**Item 15: Custody**

The Firm will comply with the requirements of Rule 206(4)-2 of the Advisers Act with regards to custody of assets of the Private Funds ("**Custody Rule**").

For the Private Funds, Sunderland Capital will seek to ensure compliance with the Advisers Act and the Custody Rule by ensuring that their cash and securities are held with qualified independent custodians. For the Sunderland Capital Private Funds, monthly statements are produced and delivered by the Private Funds' administrator, South Watch LLC, and an annual audit using generally accepted accounting principles (GAAP) is conducted by the Private Funds' auditors, Withum Smith + Brown, P.C. and Sandler & Company, PC., and the audited financial statements are provided to investors in the Private Funds within 120 days of each Private Fund's applicable fiscal year end.

**Item 16: Investment Discretion**

Sunderland Capital has full discretionary authority over the Private Funds and the Sub-Advised Account including authority to make decisions with respect to which securities to be bought and sold as well as the amount and price of those securities. Additionally, Sunderland Capital has full discretion over the brokers or dealers to be used for transactions and the commissions to be paid. These terms are established in the offering documents of each Fund.

**Item 17: Voting Client Securities**

The Firm intends to vote proxies on a case-by-case basis. Prior to voting a proxy, the relevant employees of Sunderland Capital will make a determination, in their opinion, as to what vote if any, is in the best interest of the Private Funds. The Firm maintains written records of the proxy vote on each occasion a proxy is voted. Investors in any of the Private Funds may not direct the voting of proxies.

If a material conflict of interest between Sunderland Capital and the Private Funds should arise, the Firm will determine whether voting in accordance with the guidelines set forth in the proxy voting policies and procedures is in the best interests of the Private Funds or take another appropriate action. Investors may request a copy of the Firm's proxy voting policy, as well as the records of any proxy votes for the respective Fund in which they have an investment.

**Item 18: Financial Information**

Sunderland Capital has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.