

**BROCHURE**  
(Form ADV Part 2A)

**R A D I A N X   C A P I T A L, L L C**

---

**529 5TH AVENUE, SUITE 1475**  
**NEW YORK, NY 10017**  
**(T): 646-403-3807**

March 31 , 2023

This brochure (“**Brochure**”) provides information about the qualifications and business practices of Radianx Capital, LLC. If you have any questions about the contents of this Brochure, please contact us at 646-403-3804 or via email at [palache@radianxcapital.com](mailto:palache@radianxcapital.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“**SEC**”) or by any state securities authority.

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

REGISTRATION WITH THE SEC AS AN INVESTMENT ADVISER DOES NOT IMPLY THAT RADIANX OR ANY PRINCIPALS OR EMPLOYEES OF RADIANX POSSESS A PARTICULAR LEVEL OF SKILL OR TRAINING IN THE INVESTMENT ADVISORY OR ANY OTHER BUSINESS.

## **ITEM 2 – MATERIAL CHANGES**

This Brochure dated March 31, 2023, amends the Brochure dated March 30, 2022.

Since Radianx's previous annual amendment filing on March 30, 2022, the Firm is reporting the following material changes:

The Firm appointed Marlon Palache as the Chief Compliance Officer as of April 18, 2022.

Radianx Capital routinely makes changes throughout its brochure in an effort to improve and clarify the description of its and its affiliates' business practices and compliance policies and procedures or in response to evolving industry and Firm practices.

We encourage all recipients to read this brochure carefully in its entirety.

### ITEM 3 – TABLE OF CONTENTS

ITEM 1 – COVER PAGE.....	1
ITEM 2 – MATERIAL CHANGES .....	2
ITEM 3 – TABLE OF CONTENTS.....	3
ITEM 4 – ADVISORY BUSINESS .....	4
ITEM 5 – FEES AND COMPENSATION .....	5
ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT .....	7
ITEM 7 – TYPES OF CLIENTS.....	8
ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS.....	8
ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS .....	24
ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENTTRANSACTIONS AND PERSONAL TRADING.....	24
ITEM 12 – BROKERAGE PRACTICES .....	25
ITEM 13 – REVIEW OF ACCOUNTS .....	27
ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION .....	27
ITEM 15 – CUSTODY .....	28
ITEM 16 – INVESTMENT DISCRETION .....	28
ITEM 17 – VOTING CLIENT SECURITIES .....	28
ITEM 18 – FINANCIAL INFORMATION .....	29
ITEM 19 – REQUIREMENTS FOR STATE-REGISTERED ADVISERS .....	29

## **ITEM 4 – ADVISORY BUSINESS**

### **Item 4.A – Advisory Firm**

Radianx Capital LLC (“**Radianx**,” “us” or “we”), a Delaware limited liability company, is an investment advisory firm based in New York, New York that was founded in 2018. Radianx is owned by Li Tan and Red Mountain Partners Group Limited, which is a wholly-owned by David Su.

### **Item 4.B – Types of Advisory Services Offered**

Radianx provides discretionary investment advice to its clients. Currently, Radianx’s only clients are Radianx Capital L.P. (“**Radianx Capital**”), Radianx Plus Capital, L.P. (“**Radianx Plus**”) and Radianx Capital Venture Fund, L.P. (“**Radianx Capital Venture**”), and together as the (“**Funds**”). The Funds are private investment funds that invest primarily in underlying third-party managed private investment funds (“**Portfolio Funds**”). The Funds also make direct investments in private companies (“**Portfolio Companies**”). Additionally, the Funds may maintain assets in cash, deposit, call, or current accounts or invest in short-term instruments, such as short-term debt instruments, money market funds, government securities, certificates of deposit, bankers’ acceptances, or similar temporary investments (collectively, “**Cash/Cash Equivalents**”), to meet the expense and/or liquidity needs of the Funds or for such other purposes as may be determined by Radianx.

In addition, the Funds are permitted to invest in Financial Instruments (as defined below) directly or through one or more special purpose vehicles (“**SPV**”) Radianx creates in order to facilitate such investments. All investments of the Funds including Portfolio Funds, Portfolio Companies, Financial Instruments and Cash/Cash Equivalents are referred to collectively herein as “**Portfolio Investments**.” The investment objective of each Fund is to achieve attractive, risk-adjusted rates of return pursuant to a “multi-asset, multi-strategy” investment approach. Investments in the Funds are privately offered only to eligible investors. See Item 7 below for information about eligible Investors.

### **Item 4.C – Services Tailored to Individual Needs of Clients**

The relationship between us and each Fund is governed by the organizational documents of each Fund and the terms of the investment advisory agreements between us and each Fund. Each Fund’s investment objectives and restrictions are set forth in such documents. The general partner (“**General Partner**”) of each Fund may from time to time (whether granted through side letters, the establishment of a separate class of Fund interests, or otherwise) permit certain Fund investors (“**Investors**”) (including affiliated Investors) to invest in the Fund on different terms than other Investors, including with respect to liquidity, subscriptions, and reporting. Additionally, certain Investors may be subject to no fees or lower fees, which may give such Investors a better rate of return on their investment in the Fund. Likewise, certain Investors may have the right to withdraw their investments more frequently than annually and/or upon little or no prior notice and/or without being subject to charges or other restrictions on liquidity. The establishment or existence of preferential terms for certain Investors will not entitle any other Investor or class of Investors to the same or similar terms, and neither the applicable General Partner nor its affiliates will be required to obtain the consent or approval of, or give notice to, any Investor or class of Investors in connection therewith.

### **Item 4.D – Wrap Fee Programs**

Radianx does not participate as manager or investment adviser in any wrap fee programs.

#### **Item 4.E – Client Assets**

Radianx managed approximately \$689,265,718 of “Regulatory Assets Under Management” (as calculated under the instructions to Form ADV) all on a discretionary basis as of December 31, 2022.

### **ITEM 5 – FEES AND COMPENSATION**

#### **Item 5.A – Fees**

##### *General*

Radianx is generally compensated for advisory services through asset-based management fees. In addition, Radianx or certain of its affiliates receive performance-based compensation.

The fees applicable to each Radianx investment vehicle are set forth in detail in each Fund’s offering and governing documents and are generally not negotiable by Investors. However, as noted in Item 4.C above, from time-to-time, a General Partner may permit certain Investors to invest in a Fund on different terms than other Investors, including with respect to fees.

The calculation of fees payable by Investors is complex and Investors are advised to carefully review the terms set forth in the offering and/or governing documents of the applicable Fund.

The monthly management fee for each Fund is equal to one twelfth of 0.70 percent of the aggregate capital account balances of the Fund’s Investors as of the last day of each month.

#### **Item 5.B – How Fees are Billed**

The Funds’ administrator will deduct from each Investor’s capital account the monthly management fee in advance as of the end of each month. Each Fund’s General Partner intends to retain a portion of each Fund’s capital to cover current Fund expenses, including payments of the management fee, rather than investing such amounts in the Portfolio Funds and Portfolio Companies. These retained amounts generally are expected to be held in cash and, as such, are not expected independently to generate any positive investment returns for Investors. This creates a potential conflict of interest between the General Partner’s interest in retaining assets sufficient to ensure the timely payment of the management fee to Radianx and the interest of the Investors in maximizing the amount of their subscription that will be deployed for trading purposes. In the event that new capital contributions are received on a date other than the first business day of a calendar quarter, a pro rata portion of the quarterly management fee will be paid to Radianx based on the number of months remaining in such partial calendar quarter (including the month such capital contribution is made).

#### **Item 5.C – Other Fees and Expenses**

Each Fund’s partnership agreement contains detailed provisions regarding the apportionment of expenses between the General Partner and Radianx (on the one hand) and the Fund (on the other hand). As a general matter, each General Partner and Radianx must bear their own internal costs of operations, such as rent and member/employee salaries, and their own internal financial reporting and tax preparation. In general, each Fund must pay management fees to the General Partner (the right to receive such fees may be assigned by the General Partner to Radianx) as well as substantially all other expenses associated with the organization, existence and operations of the Fund. Expenses to be borne by each Fund generally include, without limitation, expenses associated with the formation of the Fund’s General Partner (because the

General Partner, as an entity, has been (or is being) created specifically in connection with the Fund), costs of marketing/placing interests in the Fund (other than actual fees paid to a placement agent, if any); legal and other fees associated with the formation of the Fund (including fees charged by attorneys representing the General Partner/Fund for negotiations with prospective Investors); virtually all out-of-pocket costs associated with identifying, acquiring, monitoring, improving and disposing of Fund investments (including costs of travel, fees paid to “finders” and costs associated with broken deals), costs of hedging against changes in the value of Fund assets or obligations; most costs associated with litigation (or threats of litigation) against the Fund, the Fund’s General Partner, Radianx or the members/employees of the Fund’s General Partner or Radianx; the costs of preparing the Fund’s financial statements, tax returns and other reports; the fees of attorneys, accountants, consultants, brokers, advisors, custodians, and other third parties; reasonable costs of in-house legal and tax professionals employed by the Fund’s General Partner or Radianx to the extent they provide services that otherwise would have been provided by third party attorneys or accountants, and costs associated with certain securities law and similar compliance obligations imposed upon the Fund’s General Partner or the Fund. Investors should refer to the applicable Fund’s governing documents for more information regarding specific Fund expenses.

In addition, to the extent invested in the Portfolio Funds, each Fund will bear its pro rata share of such Portfolio Funds’ expenses. Such expenses include, without limitation, (i) organizational, marketing and offering expenses, (ii) direct and indirect brokerage and other transaction expenses, (iii) routine legal, accounting, auditing, tax preparation and related fees and expenses, (iv) usual and customary administrative fees and expenses, (v) expenses of government registration, licensing and filing fees and equivalent expenses, (vi) direct and indirect cost of E&O insurance and fidelity bonding, (vii) interest expense related to any borrowings and (viii) extraordinary expenses (e.g., litigation costs and indemnification obligations), if any. In addition, each Fund will pay its pro rata portion of the management fees and performance-based compensation paid to the portfolio managers (“**Portfolio Managers**”) of the Portfolio Funds.

A Fund’s direct fees and expenses, coupled with its indirect portion of the fees and expenses of the Portfolio Funds, including the compensation paid the Portfolio Managers to such Portfolio Funds, results in greater fees and expenses than would be associated with direct investment in the Portfolio Funds. The Fund’s expenses thus may constitute a higher percentage of net assets than expenses associated with other investment entities. In addition, the fees charged to a Fund as an investor in the Portfolio Fund generally will be calculated based on the performance of the Fund’s aggregate investment in the Portfolio Fund as a whole. In turn, the Fund generally allocates the expenses associated with such Portfolio Fund fees among its Investors pro rata, based upon the size of their respective investments. As a result, an Investor’s share of a Portfolio Fund’s performance-based fee or allocation may not be reflective of that Investor’s individual investment experience; this would not be the case if the Investor made a direct investment in the Portfolio Fund.

#### Allocation of Partnership Expenses

Each Fund’s expenses generally will be charged to that Fund. If any Fund expenses are associated with two or more Funds, such expenses will be allocated amongst the relevant Funds in good faith. In circumstances where expenses are associated with multiple Funds, such expenses typically will be allocated on a pro-rata basis, based on the relative aggregate capital commitments or assets under management, as applicable, of such Funds, but Radianx may vary this approach in a particular instance if another method is more equitable. An example of shared costs requiring allocation includes Radianx’s Annual Investor Meeting addressing the Investors of multiple Radianx investment vehicles. Radianx allocates such shared costs across the applicable Radianx investment vehicles in a manner it determines to be reasonable and fair to all parties.

## **Item 5.D – Compensation for Sales of Securities**

Radianx does not accept compensation for the sale of securities or other investment products. Radianx's supervised persons do not accept compensation for the sale of securities or other investment products related to their responsibilities to Radianx.

## **ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

### *Funds*

Each of the Funds generally will be assessed a performance allocation that is allocable to the Fund's General Partner. The performance allocation typically is allocated at the end of each Fund's fiscal year. The Performance allocation typically is measured as a percentage of the profits of a Fund and is negotiated separately for each Fund. Currently, Radianx Capital's performance allocation is 10% of the excess of (i) the new net profits in respect of the Investor's capital account (i.e., over the prior high water mark). Radianx Plus's performance allocation is 10% of the new net profits in respect of the Investor's capital account (i.e., over the prior high water mark). Additional information on the Funds' performance allocations may be found in the Funds' governing documents and the offering memorandum of the Plus Fund.

A Fund's General Partner may agree with a Fund Investor to reduce the performance allocation imposed in respect of such Investor without granting corresponding benefits to other Investors, provided such reduction shall not place the other Fund Investors in a position that is less favorable than would have been the case if no such reduction had occurred.

### *General*

The fact that Radianx or an affiliate is expected to be entitled to receive performance-based compensation may create an incentive for Radianx to recommend investments that are riskier than those that would be recommended under a different fee arrangement, as Radianx or its affiliate captures a set fraction of an investment's upside but does not suffer proportionately the downside of the investment. However, this incentive may be tempered somewhat by the fact that losses will reduce a Radianx Fund's performance and thus performance-based compensation. Furthermore, in certain cases, the principals of Radianx or a General Partner or their related parties have made investments in Radianx Funds and, therefore, are subject to downside on these investments. Furthermore, Radianx does not base its allocation decisions on the potential for it or its affiliates to earn performance-based fees.

An additional conflict of interest arises for Radianx and its affiliates regarding clients that pay different levels of asset or performance-based fees. For example, Radianx has an incentive to favor those clients that pay higher performance compensation over those clients that pay Radianx or its affiliates lower performance compensation because Radianx or its affiliates will receive greater compensation by doing so. In addition, Radianx has an incentive to favor those accounts where performance-based compensation is likely to be paid sooner. For example, if a Fund's performance makes it unlikely that the Fund will pay performance-based compensation in the near future, we have an incentive to allocate desirable investment opportunities to the Fund that is likely to pay performance-based compensation in the near future. In addition, certain parties related to Radianx invest in Radianx Capital which creates an incentive for Radianx to allocate more favorable investment opportunities to Radianx Capital over Radianx Plus.

To address these potential conflicts of interest, Radianx has established policies and procedures regarding the allocation of investment opportunities that are designed to treat the Funds fairly regardless of

the level of compensation that we receive from the Funds or other incentives we have to favor one Fund over another. Specifically, Radianx considers some or all of the following factors (“**Investment Factors**”) with respect to each Fund in making decisions as to the size of each Portfolio Investment (“**Target Amounts**”) to purchase or sell for each Fund: (i) investment objectives, policies and restrictions; (ii) risk tolerance; (iii) time horizon; (iv) portfolio construction; (v) tax sensitivity; (vi) desired market capitalization range; (vii) nature and size of accounts; (viii) suitability; (ix) tolerance for portfolio turnover; (x) availability of cash or buying power, and (xi) whether compliance regulations would permit the Fund to be an eligible investor in the Portfolio Investment. For each aggregated trade, each Fund participating in the aggregated trade will receive the average price of the aggregated order and will bear its pro rata share of the transaction costs.

If an order is only partially filled or a Portfolio Fund or Portfolio Company has limited availability for accepting investments, the desired investment will be allocated on a pro rata basis according to the Target Amounts. Notwithstanding the foregoing, the aggregated order investment may be allocated on a basis different than the Target Amounts if the applicable Funds receive fair treatment and the reason for the different allocations is explained in writing and is approved in writing by the Chief Compliance Officer. An allocation may not be made according to the Target Amounts due to various considerations, including but not limited to, the following: (i) if a pro rata allocation results in a de minimis allocation to a Fund, or an amount less than the required minimum investment of a Portfolio Fund; (ii) if the allocation would result in unbalancing the diversification of a Fund (based on factors including, but not limited to, risk, sector, subsector, geography, issuer, and credit quality); (iii) if a pro rata allocation would result in a Fund not meeting an investment objective; or (iv) other factors in Radianx’s professional judgment consistent with its fiduciary duties. While Radianx’s goal with respect to allocations is to be fundamentally fair on an overall basis with respect to the Funds, there can be no assurance that on an investment-by-investment basis that any particular Fund will not be treated more favorably than another. Please see Item 12 below for more information about our allocation policies.

## **ITEM 7 – TYPES OF CLIENTS**

Radianx generally provides investment advisory services to the Funds, as described above in response to Item 4. Investment in the Funds generally is only available to sophisticated investors that are knowledgeable and experienced in financial and business matters such that they are capable of evaluating the merits and risks of an investment in the Funds and that are non- “U.S. persons” as defined under Regulation S promulgated under, the Securities Act of 1933, as amended.

The Funds generally have a specified minimum investment amount as set forth in their offering documents, limited partnership agreements or other governing documents. Such minimums are subject to discretion, on the part of Radianx or its affiliate, to permit investment of a smaller amount.

Radianx employees and other persons associated with Radianx and/or its affiliates, and Radianx out of its proprietary accounts may in the future make capital contributions to Radianx clients.

## **ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

### **Item 8.A – Methods of Analysis and Investment Strategies**

The investment objective of the Funds is to achieve attractive, risk-adjusted rates of return pursuant to a “multi-asset, multi-strategy” investment approach. With significant allocations to multiple asset classes that have different risk and return characteristics, the Funds seek to maintain highly diversified portfolios in order to achieve this objective.



In pursuing its investment objective, Radianx expects to allocate its assets to Portfolio Funds which will, in turn, (trade, buy, sell (including sell short) and otherwise acquire, hold, dispose of (using margin and other forms of leverage) and deal in, financial instruments and other rights and interests including, without limitation, listed and unlisted, registered and unregistered securities of various U.S. and international issuers, including, but not limited to, equity and equity-related securities (e.g., common stock, preferred stock, stock warrants and rights, convertible securities, “new issues” and indices related to any of the foregoing), exchange-traded funds (“ETFs”), notes, bonds, commercial paper, debentures, repurchase and reverse repurchase agreements, warrants, debt instruments and other fixed income securities (corporate, derivative and governmental, rated and unrated, interest-only and principal-only and mortgage-backed), futures contracts and options on futures contracts traded on or subject to the rules of international exchanges or other boards of trade, forward contracts, other derivative instruments and commodity interests, including physical commodities, swap contracts and forward contracts; currencies; investment contracts, limited partnership interests, membership interests, limited liability company interests, mutual fund shares, as well as listed and over-the-counter options and other derivative instruments (including credit derivatives) on all of the above instruments, and rights to acquire the same of public and private issuers throughout the world; other instruments, rights and interests in personal property, and such other instruments or interests as the Portfolio Managers of the Portfolio Funds deem appropriate (collectively, “**Financial Instruments**”). The Funds are also permitted to invest in Financial Instruments directly or through an SPV Radianx creates in order to facilitate such investments, and it is expected that the Funds will invest a portion of their assets in Portfolio Companies directly or through SPVs.

As a general matter, Radianx employs the investment strategies and methods of analysis described in the offering and/or governing documents of the applicable Radianx Funds provided to Investors prior to the time of an investment.

Radianx is responsible for the sourcing, selecting, monitoring and the termination of the Portfolio Managers and Portfolio Funds, and applies a multi-step process to identify the various Portfolio Managers and Portfolio Funds. Radianx employs both quantitative and qualitative analysis, as well as operational due diligence and ongoing monitoring, as part of its selection and monitoring process. Such quantitative and qualitative factors and operational due diligence are described below. Not all factors will be relevant (or relevant to the same degree) in the case of every Portfolio Fund and its Portfolio Manager.

**Quantitative Factors.** We analyze each potential Portfolio Fund on the basis of its historical performance. In addition, we examine a potential Portfolio Fund’s historical risk profile and drawdown patterns. Radianx uses the foregoing quantitative information to attempt to (i) evaluate the quality of the Portfolio Fund’s performance; (ii) evaluate the risk profile of the Portfolio Fund; (iii) assist us in identifying any aberrations in investment returns that would suggest falsification or manipulation; and (iv) assure that historical investment activity aligns with the Portfolio Fund’s Investment Strategy.

In addition, Radianx looks for patterns of underperformance when assets under management increased to assess the ability of the Portfolio Fund to absorb an increase in assets under management without negatively affecting future returns.

**Qualitative Factors.** On the qualitative side, we consider a number of different factors. We review a Portfolio Fund’s offering materials to consider its material terms including but not limited to: (i) the Portfolio Fund’s stated investment objectives, strategies, and restrictions; (ii) the management fees, performance allocations, and expenses for which an investor in the Portfolio Fund would be responsible; (iii) the Portfolio Fund’s methodology for valuation and net asset value calculation; (iv) an investor’s redemption, distribution, and other rights; (v) an investor’s entitlement to reports and other information; (vi) the risks associated with an investment in the Portfolio Fund; and (vii) the Portfolio Fund’s liquidity profile.

Radianx also seeks to obtain position transparency with respect to each Portfolio Fund's portfolio. Based on the portfolio information received, we will try to determine whether the Portfolio Fund's portfolio is highly concentrated in specific positions, markets, geographies and/or sectors and the risk profile of the Portfolio Fund. Further, if there is a high concentration in certain positions, the evaluates the liquidity of those positions.

Radianx also considers a potential Portfolio Manager's portfolio management experience and checks publicly available online sites for negative information such as lawsuits and criminal proceedings involving the Portfolio Manager, its principals and key personnel and its Investment Vehicle. We also request information about the service providers (i.e., the auditor, administrator, accounting firm, and legal counsel) and financial intermediaries used by a Portfolio Fund and seeks to contact each of them to verify their relationship with the Portfolio Fund. Where possible, we will take into account previous experiences where an employee of Radianx has dealt with the Portfolio Fund's Portfolio Manager at the same fund or through previously held positions. To review the Portfolio Manager's operational due diligence, we review the Portfolio Fund's audited financial statements and operational policies and procedures provided to us.

In addition, we endeavor to meet with the Portfolio Fund's Portfolio Manager to gain further information regarding the Portfolio Manager's investment and trading strategy, risk management/oversight procedures and trading operations.

When considering direct Portfolio Companies as investment opportunities, the company will request and review all available financial historical data, including forecast and projection models in order to analyze potential long term outcome.

### General

#### **Item 8.B – Material Risks of Significant Investment Strategies and Methods of Analysis**

The following is a summary of some of the material risks associated with the significant investment strategies and methods of analysis expected to account for a significant portion of the Funds. **This summary does not attempt to describe all of the risks associated with an investment in the Funds and there can be no assurance that other risks and conflicts of interest will not arise. Although no summary can fully describe all of the risks associated with an investment, additional information about the Funds' risks may be obtained by reviewing a Fund's offering and/or governing documents or by contacting Radianx. In addition, prospective Investors should also consult their own legal, investment, tax, regulatory and other advisers as to whether an investment in a Fund is appropriate for them.**

For purposes of this section, to the extent that the Funds engage in any direct trading of Financial Instruments including Portfolio Companies, the Funds and Radianx will be subject to the same risks as described below with respect to the Portfolio Funds and the Portfolio Managers.

#### **Material Risks Associated with the Radianx Funds Generally**

##### **General Investment Risks**

*Investing in the Funds.* An investment in a Fund should generally be deemed speculative and is not intended as a complete investment program. Investing in the securities markets in general and in a Fund in particular involves significant risk. Investments in a Fund are appropriate only for experienced and sophisticated persons who meet certain eligibility criteria, are able to bear the risk of loss of some or all of an investment, and have a limited need for liquidity.

*General Investment Risks.* All Financial Instrument investments present a risk of loss of capital. In addition their prices can be highly volatile. Such investments are subject to investment-specific price

fluctuations as well as to macro-economic, market and industry-specific conditions, including, but not limited to, national and international economic conditions, domestic and international financial policies and performance, conditions affecting particular investments such as the financial viability, sales and product lines of corporate issuers, national and international politics and governmental events, and changes in income tax laws. Moreover, the Portfolio Managers may have only a limited ability to vary their investment portfolios in response to changing economic, financial and investment conditions. The Portfolio Managers' respective investment programs may utilize a wide variety of investment techniques, which practices can, in certain circumstances, substantially increase investment losses. The market price of Financial Instruments owned by the Portfolio Funds may go up or down, sometimes unpredictably. No guarantee or representation is made that the Portfolio Funds or the Portfolio Managers will be successful.

*Market Dislocation, Illiquidity and Volatility.* Significant dislocations, illiquidity and volatility in the global financial markets have occurred in the past several years (and may occur once again), which had an adverse effect on market liquidity and caused significant market disruption. To the extent that such marketplace events occur again, they may have an adverse impact on the availability of credit to businesses generally and lead to an overall weakening of U.S. and global economies. Any resulting economic downturn could adversely affect certain of the Portfolio Funds' investments to greater or lesser extents. Such marketplace events also may restrict the ability of the Portfolio Funds to sell or liquidate investments at favorable times or for favorable prices (although such marketplace events may not foreclose a Fund's ability to hold such investments until maturity). As a result, such Financial Instruments may take more time and expense to value and/or sell, and the realizable price upon a disposition of such Financial Instruments may differ materially from their fair value.

*Leverage.* The Funds intends to leverage their investments in Portfolio Funds and its direct investments in Financial Instruments, and also may use leverage for other purposes, such as for satisfying withdrawal requests or to otherwise provide the Funds with liquidity. In addition, the Portfolio Funds may "leverage" investment returns with options, forwards and other derivative instruments.

The Portfolio Funds may utilize additional leverage by borrowing funds from Brokers to increase the amount of capital available for investment. In general, a Portfolio Fund's use of margin and other borrowings results in certain additional risks to such Portfolio Fund (and the Funds, in general). For example, should Financial Instruments purchased by a Portfolio Fund on margin or using other borrowings decline in value, such Portfolio Fund could be subject to a "margin call" or other collateral call pursuant to which such Portfolio Fund must either deposit additional funds or assets with the Broker or lender or suffer mandatory liquidation of the relevant Financial Instruments. In the event of a sudden precipitous drop in the value of a Portfolio Fund's assets, such Portfolio Fund might not be able to liquidate assets quickly enough to cover a margin call or other collateral call.

With respect to those Portfolio Funds that trade with a high degree of leverage, a relatively small price movement in a Financial Instrument may result in immediate and substantial losses to such Portfolio Fund.

*Effectiveness of Risk Reduction Techniques.* The Portfolio Managers may employ various risk reduction strategies designed to minimize the risk of their trading positions. A substantial risk remains, nonetheless, that such strategies will not always be possible to implement and when possible will not always be effective in limiting losses. If a Portfolio Manager analyzes market conditions incorrectly or employs a risk reduction strategy that does not correlate well with such Portfolio Manager's investments, such risk reduction techniques could result in a loss, regardless of whether the intent was to reduce risk or increase return. *Short Sales.* A short sale involves the sale of a Financial Instrument that a Portfolio Fund does not own in expectation of purchasing the same Financial Instrument (or a Financial Instrument exchangeable therefor) at a later date at a lower price. A short sale involves the risk of a theoretically unlimited increase

in the market price of the Financial Instrument. The extent to which a Portfolio Manager may engage in short sales depends upon its investment strategy and perception of market direction.

*Competition.* The investment industry is extremely competitive. In relative terms, the Portfolio Funds may have little capital and may have difficulty in competing in markets in which its competitors have substantially greater financial resources, larger research staffs and more investment professionals than the Portfolio Managers have or expect to have in the future. In any given transaction, investment and trading activity by other firms will tend to narrow the spread between the price at which a Financial Instrument may be purchased by a Portfolio Fund and the price the Portfolio Manager expects to receive upon consummation of the transaction.

*Limitations on Investment Opportunities.* The business of identifying attractive investment opportunities and the right Portfolio Managers is difficult and involves a high degree of judgment on the part of Radianx. Moreover, the historical performance of a Portfolio Manager is not a guarantee or prediction of the future performance of its Portfolio Fund, and there is no certainty that any given Portfolio Fund will permit a Fund to invest in such Portfolio Fund. The investment process of any Portfolio Fund also involves a high degree of uncertainty. Even if an attractive investment opportunity is identified, there is no certainty that a Portfolio Fund will be able to invest in such opportunity (or invest in such opportunity to the fullest extent desired).

*Turnover.* The Portfolio Funds' capital may be invested on the basis of short-term market considerations. The portfolio turnover rate of those investments may be significant, potentially involving substantial brokerage commissions, mark-ups and fees. These commissions and fees will, of course, reduce the Portfolio Funds' profits.

*Concentration of Investments.* There generally is no limit on the amount of assets that the Portfolio Funds can invest in any particular position or strategy. As a consequence, a Funds' investments may be more concentrated in a limited number of strategies or asset classes than originally expected. Accordingly, a loss in any single position or strategy could have a material adverse impact on the Portfolio Funds' (and therefore a Fund's) capital.

*Trading on Exchanges in Multiple Jurisdictions.* The Portfolio Funds may engage in trading on exchanges in various jurisdictions. Trading on exchanges in certain jurisdictions may involve certain risks not applicable to trading on exchanges in other jurisdictions. For example, trading on certain exchanges may involve the additional risks of expropriation, burdensome or confiscatory taxation, moratoriums and investment controls, or political or diplomatic events that might adversely affect a Portfolio Fund's trading activities. Trading in various countries is also subject to the risk of changes in the exchange rate between the base currency of a particular Portfolio Fund and the currencies in which Financial Instruments traded on such exchanges are settled. Non-U.S. issuers may be subject to different accounting, reporting, and disclosure requirements than domestic issuers. The securities of some non-U.S. companies and non-U.S. securities markets are less liquid and at times more volatile than securities of comparable U.S. companies and U.S. securities markets. Non-U.S. brokerage commissions and other fees may be higher than in the United States.

*Currency and Exchange Rate Risks.* The Portfolio Funds may invest in Financial Instruments denominated in currencies other than the U.S. Dollar or in Financial Instruments which are determined with references to currencies other than the U.S. Dollar. The Portfolio Funds, however, will generally value their assets in U.S. Dollars. To the extent unhedged, the value of the Portfolio Funds' assets will fluctuate with U.S. Dollar exchange rates as well as with price changes of their investments in the various local markets and currencies. The Portfolio Funds may or may not attempt to hedge against currency fluctuations in their sole discretion, but even if the Portfolio Funds do attempt to hedge against such fluctuations, there can be no assurance that such hedging transactions will be effective.

*Brokerage Firms and Custodians May Fail.* The institutions, including the Brokers, with which the Funds and/or Portfolio Funds do business or to which the Funds' and/or the Portfolio Funds' assets have been entrusted for custodial purposes, may encounter financial difficulties that impair the operational capabilities or the capital position of the Funds and/or the Portfolio Funds. In the event that one of the Fund's or a Portfolio Fund's Brokers becomes bankrupt and fails to segregate the Portfolio Fund's assets on deposit as required, the Fund or the Portfolio Fund, as applicable, may be subject to a risk of loss for any deficiency. Even if a Fund or a Portfolio Fund does not lose its assets on deposit with its Brokers (or other financial institutions with which the Fund or Portfolio Fund may deal), the Fund or a Portfolio Fund could incur market losses as a result of financial difficulties at such institutions (including, but not limited to, in situations where the Portfolio Manager may be unable to access the assets of a Portfolio Fund and/or execute transactions through its Brokers or other financial institutions in a timely manner).

*Default and Counterparty Risk.* Some of the markets in which the Portfolio Managers may effect transactions are "over-the-counter" or "interdealer" markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange based" markets. This exposes the Portfolio Funds to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Portfolio Funds to suffer a loss. The ability of the Portfolio Funds to transact business with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparties' financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Portfolio Funds.

*Cyber Security Risk.* With the increased use of the Internet, the Funds, Radianx, the Portfolio Funds, the Portfolio Managers, and the service providers and vendors to such parties (collectively "**Service Providers**") are exposed to the risk that their operations and data may be compromised as a result of internal and external cyber-failures, breaches or attacks ("**Cyber Risk**"). This could occur as a result of malicious or criminal cyber-attacks. Successful cyber-attacks or other cyber-failures or events may adversely impact a Fund or a Portfolio Fund or its investors or cause an investment in a Fund to lose value. For instance, such attacks, failures or other events may interfere with the processing of subscriptions and withdrawals, impact a Fund's and/or a Portfolio Fund's ability to calculate its net asset value, cause the release of private investor information or confidential fund information, impede trading, cause reputational damage, or subject a Fund, a Portfolio Fund and/or their Service Providers to regulatory fines, penalties or financial losses, reimbursement or other compensation costs, and/or additional compliance costs. Cyber Risk is also present for issuers of securities or other instruments in which a Portfolio Fund invests, which could result in material adverse consequences for such issuers, and may cause such Portfolio Fund's investment in such issuers to lose value.

*Uncertain Economic, Social and Political Environment.* Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises or other sources of political, social, or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of a Fund to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This may slow the rate of future investments by such Fund and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn may have an adverse effect upon such Fund's portfolio investments.

As of the beginning of 2023, there is an especially high degree of economic uncertainty given elevated inflation, a rapid increase in interest rates by Central Banks, and a high level of geopolitical uncertainty in Europe and Asia. The likelihood of a recession, and the magnitude of any such recession, is highly uncertain and would have significant implications across asset classes, particularly if a recession occurs and is of significant magnitude or duration.

In addition, due to the recent bank failures, there is a risk of loss of deposits in excess of \$250,000, risks surrounding liquidity concentration, systemic risk regarding the failure of other banks, and increased compliance costs associated with diversifying deposits among multiple banks.

*Pandemic Outbreaks.* Disease outbreaks that affect local economies or the global economy may materially and adversely impact our investment portfolios and/or our business. These types of outbreaks have the potential to cause severe decreases in core business activities such as manufacturing, purchasing, tourism, business conferences and workplace participation, among others. These disruptions also have the potential to lead to instability in the marketplace, including market losses and overall volatility. In the face of such instability, governments may take extreme and unpredictable measures to combat the spread of disease and mitigate the resulting market disruptions and losses. In the event of a pandemic or an outbreak, there can be no assurance that we or our service providers will be able to maintain normal business operations for an extended period of time or will be able to retain the services of key personnel on a temporary or long-term basis due to illness or other reasons. The full impact of a pandemic or disease outbreaks is unknown, which could result in a high degree of uncertainty for potentially extended periods of time.

*Regulatory/Legislative Developments Risk.* Regulators and/or legislators may promulgate rules or pass legislation that places restrictions on, adds procedural hurdles to, affects the liquidity of, and/or alters the risks associated with certain investment transactions or the securities underlying such investment transactions. Such rules/legislation could adversely affect the value associated with such investment transactions or underlying securities.

Future legal, tax and regulatory changes could occur that may adversely affect business and require additional reporting for registered investment advisors. The SEC, other regulators and self-regulatory organizations and exchanges have taken various extraordinary actions in connection with market events and may take additional actions. Registered investment advisors may also be adversely affected by changes in the enforcement or interpretation of existing laws, rules and regulations, including tax laws, by federal, state and non-U.S. agencies, courts, authorities or regulators.

*Disaster Recovery and Data Security.* In managing the Funds, Radianx relies on information technology and data management systems, which can fail or be subject to interruption or destruction caused by natural or man-made occurrences such as extreme weather, fires, earthquakes, power loss, telecommunications failures, terrorist attacks, hacking, break-ins, sabotage, intentional acts of destruction, vandalism, or similar events or misconduct. Any failure, interruption, or destruction of Radianx's information technology systems or data could have a material adverse impact on the operations of Radianx and/or the Funds.

## **Risks of Investing in Portfolio Funds**

*Investments in Portfolio Funds.* Investments in Portfolio Funds generally are subject to legal or contractual restrictions on their resale. If a Fund requests a complete or partial withdrawal of its interest in a Portfolio Fund, the Portfolio Manager of such Portfolio Fund generally may, in its discretion, (i) not satisfy the Fund's withdrawal request with respect to the portion of such investment's assets represented by illiquid investments until the disposition of those illiquid investments, (ii) satisfy the Fund's withdrawal request with an in-kind distribution of illiquid investments (either directly or through an in-kind distribution

of interests in a special purpose vehicle or other investment vehicle established to hold such illiquid investments), or (iii) in some cases, satisfy the withdrawal amount by valuing illiquid investments at the lower of cost or market or otherwise in the sole discretion of the applicable Portfolio Manager. If a Fund receives distributions in-kind from a Portfolio Fund, the Fund may incur additional costs and risks to dispose of such assets. In addition, certain Portfolio Funds may require maintenance of investment minimums and/or have holding periods and/or other withdrawal provisions more restrictive than those of a Fund. These may include, but are not limited to, lock-ups, “side pockets,” withdrawal “gates” and fees, suspensions and delays of withdrawals and other similar limitations.

*Risks Related to Investing in Closed Ended Portfolio Funds.* A Fund generally will be unable to, at its option, redeem or withdraw its investment in a Portfolio Fund that is a closed ended private equity, growth capital, venture or real estate fund or co-investment fund. In addition, there generally are significant restrictions associated with a Fund’s ability to sell, transfer or otherwise dispose of its investment in any such Portfolio Fund. Further, the lack of liquidity of each such Portfolio Fund investment, and the possibility of limited information regarding the investments made by such Portfolio Fund, may make it difficult for an administrator or valuation agent of such Portfolio Fund to accurately value such Portfolio Fund, and may cause any resulting valuations to be inaccurate. In addition, the length of a Fund’s investment in any such closed ended Portfolio Fund will depend on the term of such Portfolio Fund, which term could be extended from time to time in accordance with such Portfolio Fund’s governing documents. Accordingly, the duration of a Fund’s investment in a closed ended Portfolio Fund is generally expected to be a very extended period of time.

*Dependence on Key Personnel.* Each Portfolio Manager generally is dependent on the services of a small number of key personnel. The loss of a key person’s services could have a substantial adverse impact on the performance of assets managed by that Portfolio Manager, and/or make it impossible for the Portfolio Manager to continue to manage assets for its Portfolio Fund and, therefore, the Funds.

*Limited Control over Portfolio Managers.* The General Partners and Radianx will have little or no control over the investments made by a Portfolio Fund and the Financial Instruments it trades (including determining the creditworthiness of counterparties with which, and the exchanges on which, such Portfolio Fund trades) or the leverage utilized or the risks assumed by such Portfolio Fund. In addition, it may be difficult, if not impossible, for the General Partners and Radianx to protect the Funds from the risk of a Portfolio Manager’s fraud, misrepresentation or material strategy alteration.

*Possible Adverse Effects of Increasing the Assets Managed by the Portfolio Managers.* It may be difficult or impossible for a Portfolio Manager to take or liquidate a position in a particular Financial Instrument in accordance with its trading systems, methods or strategies due to the size of the accounts which are or may be managed by the Portfolio Managers. A Portfolio Manager may be limited in the amount of assets which it can successfully manage by both the difficulty of executing substantially larger trades in order to reflect larger equity under management and the restrictive effects of speculative position limits or restraints on disposition and possible market illiquidity.

*Portfolio Fund Operative Documents.* A Fund will be materially affected by the terms of the operative documents of the Portfolio Funds in which the Fund invests. However, Radianx may not be able to negotiate the terms of a Fund’s investments in the Portfolio Funds. Neither the Funds nor Radianx has any liability whatsoever for the terms of the Portfolio Funds, and such terms may be more adverse to a Fund as an investor in a Portfolio Fund than the terms on which investors invest in such Fund.

*Disadvantages of Multi-Manager Trading Structure.* The use of multiple Portfolio Managers to conduct trading has several potential disadvantages:

- (i) Each Portfolio Manager is paid performance-based fees solely on the basis of its Portfolio

Fund. A Fund therefore could have periods in which it is directly or indirectly charged fees by one or more Portfolio Managers even though the Fund as a whole has a loss for the period.

(ii) Because the Portfolio Managers trade independently of each other, they may establish offsetting positions within one another. For example, one Portfolio Manager may sell a particular Financial Instrument at the same time another Portfolio Manager buys that same Financial Instrument. The net effect for a Fund invested in the Portfolio Funds of both Portfolio Managers will be the indirect incurring of two brokerage commissions without the potential for earning a profit. There is also the possibility that different Portfolio Managers may from time to time enter identical orders and, therefore, compete for the same trades. This competition could prevent the orders from being executed at a desired price.

(iii) The short-term upside potential of the Funds may be less than that of an investment pool with only one or a few Portfolio Managers because it is more likely that at least one, if not more, of the Portfolio Managers in the multi-manager fund will be trading unprofitably at any given time.

### **Financial Instrument Specific Risks**

*Equity Securities.* The Portfolio Funds will trade in equity securities. Common stock and similar equity securities generally represent the most junior position in an issuer's capital structure and, as such, generally entitle holders to an interest in the assets of the issuer, if any, remaining after all more senior claims to such assets have been satisfied. The value of equity securities may fluctuate in response to specific situations for each company, industry market conditions and general economic environments. The Portfolio Funds may invest in equity securities regardless of market capitalization, including micro- and small-cap companies. The securities of smaller companies may involve more risk and their prices may be subject to more volatility. The Portfolio Funds may also invest in distressed equity securities, which are generally considered to be riskier, speculative and relatively illiquid.

*Private Placements.* Certain private investments in which the Portfolio Funds may invest will share many of the same risk characteristics as venture capital investing, offering the opportunity for significant gains, but also involve a high degree of risk, including the complete loss of capital. Among these risks are the general risks associated with investing in companies operating at a loss or with substantial variations in operating results from period to period and investing in companies with the need for substantial additional capital to support expansion or to achieve or maintain a competitive position. Such companies may face intense competition, including competition from companies with greater financial resources, more expansive development, manufacturing, marketing and service capabilities, and a greater number of qualified managerial and technical personnel. The Portfolio Funds may invest in the form of equity or "equity linked" securities. As a result, the rights or claims of the Portfolio Funds may be subordinate to those of other parties, including debt or senior equity holders, in the event of the failure of any company in which the Portfolio Funds invest. The companies in which the Portfolio Funds invest may be thinly traded and undercapitalized and therefore may be more sensitive to adverse business or financial developments. In the event that a company in which the Portfolio Funds invest is unable to generate sufficient cash flow or raise additional equity capital to meet its projected cash needs, the value of the Portfolio Funds' investment in such company could be significantly reduced or even lost entirely. Business risks may be more significant in smaller or development-stage companies in which the Portfolio Funds invest, including intense competition, changing business and economic conditions or other developments that may adversely affect their performance. Profits of the Portfolio Funds, if any, may be derived from a relatively small number of their investments in private placements. The goal of making investments in companies that will provide superior investment returns will be difficult to achieve. There is no guarantee that the Portfolio Funds will be able to invest their capital on attractive terms or that returns on such investments will exceed returns on alternative investments available to prospective investors in the Funds. The ability of the Portfolio Funds to liquidate their positions and generate profits from their investments in private placements



may also be adversely affected by a failure of the companies in which they invest to comply with registration, conversion, exchange or other obligations under the agreements pursuant to which such securities have been sold to the Portfolio Funds.

*PIPE Transactions.* The Portfolio Funds' portfolios may include restricted securities purchased directly from an issuer in a private placement (i.e., in a PIPE Transaction). Such securities may consist of shares of common stock, convertible notes, warrants and/or other securities convertible into, or exercisable for, shares of common stock. PIPE Transactions present various risks, including the following:

(i) *Lack of Liquidity / Restricted Securities:* In the case of restricted securities other than shares of common stock, there may never be any market for such securities, and in the case of restricted shares of common stock, there is likely to be no market for such shares unless and until the shares are registered for resale. Even if registered or publicly resalable, such securities may be thinly-traded, making sales of such securities at desired prices or in desired quantities (or hedging of the risk associated with holding such securities) difficult or impossible.

(ii) *Contractual Risk:* The ability of the Portfolio Funds to liquidate their positions and generate profits from their investments in private placements may also be adversely affected by a failure of the companies in which they invest to comply with registration, conversion, exchange or other obligations under the agreements pursuant to which such securities have been sold to the Portfolio Funds.

(iii) *Regulatory Framework:* When a Portfolio Fund is provided with information regarding a proposed PIPE Transaction prior to its public announcement, the Portfolio Fund will likely be in possession of material nonpublic information regarding the issuer of the securities that it has agreed to keep confidential. In most cases, trading on the basis of such information, including short selling, will be a violation of the insider trading laws. Accordingly, at least for a period of time, the applicable Portfolio Fund may be unable to engage in any trading activities with respect to the issuer of such proposed PIPE, even if the Portfolio Fund does not elect to participate in the PIPE Transaction and even if the Portfolio Fund already holds a position in securities of such issuer.

(iv) *Risk of PIPEs Investigation:* In recent years, the SEC and other authorities have conducted a number of investigations into short selling and other trading activities of placement agents and hedge fund managers in connection with PIPE Transactions. If a Portfolio Fund were the subject of any such investigation, it could be required to devote substantial resources to responding to the authorities and any such investigation could adversely affect the flow of PIPE investment opportunities to such Portfolio Fund. In addition, if any placement agent that originates PIPEs in which a Portfolio Fund invests were to be the subject of such an investigation, such entity's business may be impeded during the duration of the investigation, which could limit the supply of PIPEs available to the Portfolio Fund.

(v) *Foreign Regulation:* The Portfolio Funds may engage in PIPEs transactions that involve companies located outside of the United States. Such transactions may not be regulated by the SEC and may be subject to different regulatory frameworks and more risks than PIPEs transactions involving companies located in the United States.

*Small- to Micro-Cap Stocks.* The Portfolio Funds may invest in small- to micro-cap companies. While smaller companies generally have potential for rapid growth, they often involve higher risks because they lack the management experience, financial resources, product diversification and competitive strength of larger corporations. In addition, the Portfolio Funds may be unable to sell certain small- or micro-cap stocks at an advantageous time or price. In many instances, the frequency and volume of their trading is substantially less than is typical of larger companies. As a result, the securities of smaller companies may

be subject to wider price fluctuations. Also, due to thin trading in some of these stocks, an investment in these stocks may be considered less liquid than an investment in many larger-capitalization stocks, making purchases or sales at desired prices or in desired quantities more difficult.

*New Issues.* The Portfolio Funds may invest in “new issues” (defined as any initial public offering of an equity security). The purchase of “new issues” involves greater risk than securities trading in general. The prices of new issues may not increase as expected and, in fact, may decline more rapidly. While most people assume that new issues will trade at a premium to their issue price until they are liquidated, there is no guarantee that this will occur.

*Special Situation Investments/Distressed Companies.* Certain of the Portfolio Funds’ investments may involve start-up companies, companies developing new products or companies seeking to raise additional capital for expansion. In addition, the Portfolio Funds may invest in companies involved in bankruptcy or other reorganization and liquidation proceedings. Although such investments may result in significant returns to a Portfolio Fund, they involve a substantial degree of risk. Any one or all of the issuers of the investments in which a Portfolio Fund may invest, directly or indirectly, may be unsuccessful or not show any return for a considerable period of time. There is no assurance that the Portfolio Managers will correctly evaluate the nature and magnitude of the various factors that could affect the prospects for a successful reorganization or similar action. In any reorganization or liquidation proceeding relating to a company in which a Portfolio Fund invests, a Portfolio Fund may lose its entire investment or may be required to accept cash or illiquid securities with a value less than a Portfolio Fund’s original investment.

*Trading in Options.* Among the Financial Instruments that the Portfolio Funds may trade are options. The risks in trading options are different from the risks in trading the underlying instruments or products, and trading in options can provide a greater potential for profit or loss than an equivalent investment in the underlying asset.

*Hedging.* A Fund may utilize certain financial instruments and investment techniques for risk management or hedging purposes. There is no assurance that such risk management and hedging strategies will be successful, as such success will depend on, among other factors, our ability to predict the future correlation, if any, between the performance of the instruments utilized for hedging purposes and the performance of the investments being hedged. Since the characteristics of many securities change as markets change or time passes, the success of a Fund’s hedging strategies may also be subject to our ability to correctly readjust and execute hedges in an efficient and timely manner. There is also a risk that such correlation will change over time rendering the hedge ineffective. It may be more difficult to hedge a position in a smaller-capitalization issuer than a larger-capitalization issuer. A Fund’s portfolio is not always expected to be completely hedged and at various times, a Fund may be more fully hedged and at other times hedged only to a limited extent, if at all. Accordingly, a Fund’s assets may not be adequately protected from market volatility and other conditions.

*Over-the-Counter and Other Derivative Instruments in General.* The Portfolio Funds may use various derivative instruments, including futures, options, forward contracts, swaps and other derivatives which may be volatile and speculative. Certain positions may be subject to wide and sudden fluctuations in market value, with a resulting fluctuation in the amount of profits and losses. Use of derivative instruments presents various risks, including the following:

(i) *Tracking:* When used for hedging purposes, an imperfect or variable degree of correlation between price movements of the derivative instrument and the underlying investment sought to be hedged may prevent a Portfolio Manager from achieving the intended hedging effect or expose the Portfolio Fund to the risk of loss

(ii) *Liquidity:* Derivative instruments, especially when traded in large amounts, may

not be liquid in all circumstances, so that in volatile markets a Portfolio Manager may not be able to close out a position without incurring a loss for the Portfolio Fund.

(iii) *Leverage*: Trading in derivative instruments can result in large amounts of leverage which may magnify the gains and losses experienced by a Portfolio Fund.

(iv) *Over-the-Counter Trading*: Certain derivative instruments may not be traded on an exchange. See *Default and Counterparty Risk* above for risks associated with such trading.

(v) *Lack of Regulation*: Financial Instruments not traded on exchanges are also not subject to the same type of government regulation as exchange traded Financial Instruments and many of the protections afforded to participants in a regulated environment may not be available in connection with such transactions.

*Commodities and Futures Trading*. The Portfolio Funds may invest in commodities and futures contracts. Substantially all trading in commodities and futures has as its basis a contract to purchase or sell a specified quantity of a particular asset for delivery at a specified time, although certain Financial Instruments, such as market index futures contracts, may be settled only in cash based on the value of the underlying composite index. Futures trading involves trading in contracts for future delivery of standardized, rather than specific, lots of particular assets.

(i) *Volatility*: Futures prices are highly volatile. No assurance can be given that the Portfolio Funds will be profitable or that they will not incur substantial losses.

(ii) *Position Limits*: The CFTC and certain exchanges have established limits referred to as “speculative position limits” on the maximum net long or net short positions that any person may hold or control in particular commodities. All commodity accounts owned, held, controlled or managed by a Portfolio Manager or its principals and affiliates, including accounts of other clients for which the Portfolio Manager acts as commodity trading advisor, will be combined for position limit purposes with the positions held in the Portfolio Manager’s Portfolio Fund. It is possible that trading decisions of a Portfolio Manager may have to be modified and that positions held by a Portfolio Fund may have to be liquidated to avoid exceeding such limits. Certain non-U.S. exchanges are not subject to position limits.

(iii) *Price Limits*: U.S. commodity exchanges may limit fluctuations in futures contracts prices during a single day by regulations referred to as “daily price fluctuation limits” or “daily limits.”

(iv) *Margin*: Futures are typically traded on “margin.” The “margin” is the amount of escrow or performance bond deposit that a Portfolio Fund will have to make and maintain with its FCMs (future brokers) to secure its future obligation to close out open positions. In the futures markets, margin deposits are typically low relative to the value of the futures contracts purchased or sold. Such low margin deposits result in a high degree of leverage. Because margin requirements normally range upward from as little as 2% or less of the total value of the contract, a comparatively small commitment of cash or its equivalent may permit trading in futures contracts of substantially great value. As a result, price fluctuations may result in a contract profit or loss that is disproportionate to the amount of funds deposited as margin.

(v) *Size of Portfolio Managers’ Accounts*: Depending upon the size of a Portfolio Fund, it may be difficult or impossible for the Portfolio Manager to take or liquidate a position in a particular commodity, method or strategy due to the size of the accounts which may be managed by such Portfolio Manager.

*Fixed-Income Investments.* The Portfolio Funds may invest in fixed-income Financial Instruments. The value of fixed-income Financial Instruments will change as the general levels of volatility and interest rates fluctuate. When interest rates decline, the value of fixed-income Financial Instruments can be expected to rise. Conversely, when interest rates rise, the value of such Financial Instruments can be expected to decline. Investments in lower rated or unrated fixed-income Financial Instruments, while generally providing greater opportunity for gain and income than investments in higher rated Financial Instruments, usually entail greater risk (including the possibility of default or bankruptcy of the issuers of such Financial Instruments). In addition, credit ratings of fixed-income Financial Instruments are not a guarantee of quality. As a result, a credit rating of fixed-income Financial Instruments may not fully reflect the risks inherent in the relevant security.

*Illiquid Investments.* The Financial Instruments and other assets in which the Portfolio Funds may invest include assets that are subject to legal or contractual restrictions on their resale (e.g., Financial Instruments issued by privately-held entities) or for which there is a relatively inactive trading market, making purchases or sales at desired prices or in desired quantities difficult or impossible.

*Investment in Real Estate Generally.* A Portfolio Fund's investments in real properties will be subject to the risks incident to the ownership, operation and development of real estate and real estate-related businesses and assets, including changes in the general economic climate, local, national or international conditions (such as an oversupply of space or a reduction in demand for space), the quality and philosophy of management, competition based on rental rates, attractiveness and location of the properties and changes in the relative popularity of property types and locations, changes in the financial condition of tenants, buyers and sellers of properties, changes in operating costs and expenses, uninsured losses or delays from casualties or condemnation, changes in applicable laws, government regulations (including those governing usage, improvement and zoning) and fiscal policies, the availability of financing, interest rate levels, environmental liabilities, contingent liabilities, successor liability for investments in existing entities (e.g., buying out a distressed partner or acquiring an interest in an entity that owns a real property), acts of God, acts of war (declared or undeclared), terrorist acts, work stoppages, shortages of labor, strikes, union relations and contracts, fluctuating prices and supply of labor and/or other labor-related factors and other factors beyond the control of such Portfolio Fund or its Portfolio Manager.

*Government Securities.* The Portfolio Funds may invest in various types of U.S. government securities that have different levels of credit risk. Some U.S. government securities are supported by the full faith and credit of the United States and may be issued or guaranteed by the U.S. Treasury. These types of U.S. government securities have the lowest credit risk. Other U.S. government securities may be: (i) supported by the ability of the issuer to borrow from the U.S. Treasury; (ii) supported (only) by the credit of the issuing agency, instrumentality, or government-sponsored corporation; (iii) supported by pools of assets (e.g., mortgage-backed securities); or (iv) supported by the United States in some other way. The Portfolio Funds may invest in securities in any of these categories.

*Legal and Regulatory Developments.* Legal and regulatory changes could occur during the term of the Funds that may adversely affect the Funds and/or the Portfolio Funds. The securities, commodities, futures and other derivatives markets are subject (in varying degrees) to comprehensive statutes, regulations and margin requirements.

In addition, to the foregoing instruments there are unique risks associated with the following Financial Instruments that may be invested in by a Portfolio Fund: emerging markets securities, ETFs, credit default swaps, security futures contracts, exchanges for related products, forwards, currencies, repurchase agreements and reverse repurchase agreements, high yield securities, subordinated securities, asset-backed securities, mortgage-related securities, and energy industry and alternative energy industry investments. Additional information about the risks associated with such Financial Instruments may be

obtained by reviewing a Fund's offering and/or governing documents or by contacting Radianx.

## Strategy Risks

*General Risks of Arbitrage Transactions.* The success of arbitrage strategies (whether convertible arbitrage, merger arbitrage, volatility arbitrage, capital structure arbitrage or otherwise) depends often on the ability to execute two or more simultaneous transactions at desired prices. Should such transactions not be executed simultaneously at the desired prices, losses may be incurred on both sides of the transaction.

*Long/Short Equity Strategies.* The Portfolio Funds may employ long/short equity strategies. Because a long/short equity strategy involves identifying securities which are generally undervalued (or, in the case of short positions, overvalued) by the marketplace, success of this strategy necessarily depends upon the market eventually recognizing such value in the price of the security, which may not necessarily occur or may occur over extended time frames which limit profitability. Positions may undergo significant short-term declines and experience considerable price volatility during these periods. In addition, long and short positions may or may not be correlated to each other. If the long and short positions are not correlated, it is possible to have investment losses in both the long and short sides of the portfolio.

*Convertible Arbitrage Transactions.* In an effort to remain market neutral with respect to their purchase of convertible Financial Instruments, the Portfolio Funds may hedge the purchase of convertible Financial Instruments by the simultaneous short sale of another related Financial Instrument (e.g., the short sale of some portion of the common stock into which the Financial Instruments on the long side are convertible or the sale of the related option). To the extent that there are losses on a long position, and the hedged portion (short position) of the strategy is not sufficient to completely offset such losses, the Portfolio Funds will incur a loss. Losses also may be incurred if the prices of two Financial Instruments which are arbitrated against each other do not move as expected. Additional factors may also lead losses under this strategy.

*Merger Arbitrage Strategies.* The price offered for the securities of a company in a tender offer, merger or other acquisition transaction will generally be at a significant premium above the market price of the security prior to the offer. The announcement of such a transaction will generally cause the market price of the securities to begin rising. A Portfolio Fund may purchase securities after the announcement of the transaction at a price that is higher than the pre-announcement market price, but which is lower than the price at which the Portfolio Manager expects the transaction to be consummated. If the proposed transaction is not consummated, the value of such securities purchased by a Portfolio Fund may decline significantly. In addition, where a Portfolio Fund has sold short the securities it anticipates receiving in an exchange offer or merger, such Portfolio Fund may be forced to cover its short position in the market at a higher price than its short sale, with a resulting loss. The SEC pro ration requirements applicable to cash tender and exchange offers also may affect a Portfolio Fund's ability to profit from its investments. SEC rules require that, if a greater number of securities are tendered than is to be accepted at a particular price, securities of the various tendering shareholders must be accepted pro-rata. Thus, a portion of the securities tendered by a Portfolio Fund in response to certain offers may not be accepted by the offeror and may be returned to it. Since, after completion of the tender offer, the market price of the securities may have declined below a Portfolio Fund's cost, returned securities may be resold at a loss.

*Market Neutral Strategies.* The use of "market neutral" or "relative value" hedging or arbitrage strategies should in no respect be taken to imply that the relevant Portfolio Fund or Portfolio Manager's strategy is without risk. Substantial losses may be recognized on "hedge" or "arbitrage" positions, and illiquidity and default on one side of a position can effectively result in the position being transformed into an outright speculation. Every market neutral or relative value strategy involves exposure to some second order risk of the market, such as the implied volatility in convertible bonds or warrants, the yield spread

between similar term government bonds or the price spread between different classes of stock for the same underlying issuer. Further, “market neutral” Portfolio Manager may employ limited directional strategies that expose their respective Portfolio Funds to certain market risks.

*Investments in Undervalued Equity and Equity-Related Securities.* The Portfolio Funds may invest in undervalued equity and equity-related securities. The identification of investment opportunities in undervalued securities is a difficult task. While investments in undervalued securities offer the opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from such investments may not adequately compensate the Portfolio Funds for the business and financial risks assumed. A Portfolio Fund may take certain speculative investments in securities which its Portfolio Manager believes to be undervalued; however, there are no assurances that the securities purchased will in fact be undervalued. In addition, a Portfolio Fund may be required to hold such securities for a substantial period of time before realizing their anticipated value. During this period, a portion of a Portfolio Fund’s assets may be committed to the securities purchased, thus possibly preventing such Portfolio Fund from investing in other opportunities. In addition, a Portfolio Fund may finance such purchases with borrowed funds and thus will have to pay interest on such funds during such waiting period. If a Portfolio Fund takes long positions in stocks that decline and short positions in stocks that increase in value, then the losses of such Portfolio Fund may exceed those of other portfolios that hold long positions only.

*Fixed Income Arbitrage.* Certain Portfolio Managers may pursue fixed income arbitrage strategies. Fixed income arbitrage strategies generally involve spreads between two or more positions. To the extent the price relationships between such positions remain constant, no gain or loss on the position will occur. Such positions do, however, entail a substantial risk that the price differential could change unfavorably, causing a loss to the spread position. The prices of these investments can be volatile, market movements are difficult to predict, and financing sources and related interest and exchange rates are subject to rapid change.

*Capital Structure Arbitrage.* The strategies of certain Portfolio Managers may involve trading the spreads in the debt of companies with multiple classes of debt, trading the spreads in the equity of companies with multiple classes of equity and/or trading combinations of a company’s debt and equity, in each case to take advantage of relative mispricings. A Portfolio Manager may be incorrect in its assumption and the applicable Portfolio Fund may not realize profits from such investments. Moreover, the Portfolio Manager may be correct in its assumption but may not be able to maintain such investments long enough for them to be profitable.

*Spread Trading.* A part of the Portfolio Managers’ strategies may involve spread positions between two or more Financial Instrument positions. To the extent the price relationships between such positions remain constant, no gain or loss on the positions will occur. Such positions, however, do entail a substantial risk that the price differential could change unfavorably, thus causing a loss to the spread position. The Portfolio Managers’ strategies also may involve arbitraging among two or more Financial Instruments. This means, for example, that a Portfolio Fund may purchase (or sell) Financial Instruments (on a current basis) and take offsetting positions in the same or related Financial Instruments. To the extent the price relationships between such positions remain constant, no gain or loss on the positions will occur. These offsetting positions entail substantial risk that the price differential could change unfavorably causing a loss to the position. Moreover, the arbitrage business is extremely competitive, and many of the major participants in the business are large investment banking firms with substantially greater financial resources, larger research staffs and more investment professionals than will be available to the Portfolio Managers. Arbitrage activity by other larger firms may tend to narrow the spread between the price at which a Financial Instrument may be purchased by a Portfolio Fund and the price the Portfolio Manager expects to receive upon consummation of a transaction.

*Straddles.* A Portfolio Fund may engage in straddle writing, whereby it writes both a put and a call on the same underlying Financial Instrument at the same exercise price in exchange for a combined premium on the two writing transactions. In straddle writing, the potential risk of loss is unlimited.

*Technical Trading Systems.* The Portfolio Managers may rely on technical trading systems. For any technical trading system to be profitable, there must be price moves or “trends” – either upward or downward – in some Financial Instrument that the system can track and those trends must be significant enough to dictate entry or exit decisions. Trendless markets have occurred in the past and are likely to recur. In a trendless or erratic market, a technical trading system may fail to identify a trend on which action should be taken or may overreact to minor price movements and thus establish a position contrary to overall price trends, which may result in losses. In addition, a technical trading system may be profitable for a period of time, after which the system fails to detect correctly any future price movements.

*Reliance on Quantitative Analysis.* Certain Portfolio Managers’ investment strategies may rely upon quantitative models and systems. Such models and systems may entail the use of sophisticated statistical calculations and complex computer systems, and there is no assurance that the Portfolio Managers will be successful in carrying out such calculations correctly or that the use of these quantitative models and systems will not expose the applicable Portfolio Funds to the risk of significant losses. In addition, the analytical techniques used by such Portfolio Managers cannot provide any assurance that the applicable Portfolio Funds will not be exposed to the risk of significant trading losses if the underlying patterns that form the basis for the quantitative models and systems employed by such Portfolio Managers change in ways not anticipated by the Portfolio Managers. The effectiveness of quantitative models and systems may diminish over time, and attempts to apply existing quantitative models and systems to new or different markets, strategies or Financial Instruments may prove ineffective.

To the extent that information regarding a Portfolio Fund’s positions or trades becomes or is required to be made publicly available, there is a material risk that other market participants may seek to reverse engineer the Portfolio Manager’s quantitative investment strategies from such public information. The use of a Portfolio Manager’s investment strategies by other persons, whether as a result of reverse engineering, “frontrunning” or other actions, may have a material adverse effect on the performance of the associated Portfolio Funds.

*Reliance on Fundamental Analysis.* Certain Portfolio Managers may base their trading decisions, in whole or in part, on fundamental analysis. Fundamental trading systems consider factors, such as inflation, trade balances, inventories and interest rates, which do not have an impact on traditional technical trading systems, in an attempt to identify investment opportunities. To the extent that such factors provide mixed or conflicting signals, a fundamental trading system may not be able to detect and/or accurately predict price trends. There can be no guarantee that a Portfolio Manager’s fundamental trading systems will enable the Portfolio Manager to accurately value the Financial Instruments in which its Portfolio Funds invests or that any anticipated price trends will materialize with respect to such investments.

*New Strategies.* While a Portfolio Manager might develop new investment strategies in the future, any such strategies may not be thoroughly tested before being employed and may not, in any event, be successful.

**As noted above additional information about the Funds’ risks may be obtained by reviewing a Fund’s offering and/or governing documents or by contacting Radianx.**

## **ITEM 9 – DISCIPLINARY INFORMATION**

Neither Radianx nor any of its executive officers, members of its investment committee, portfolio

managers, managing partner or other “management persons” as defined in Form ADV has been subject to the legal or disciplinary events related to this Item or otherwise is required to disclose any event required by this Item.

## **ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### **Item 10.A – Broker-Dealers**

Radianx is not registered, and does not have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

### **Item 10.B – Futures and Commodity Trading**

Radianx relies on the relief from commodity pool operator registration provided by CFTC Letter No. 12-38 dated November 29, 2012 for commodity pool operators of fund-of-funds.

### **Item 10.C – Material Relationships**

Radianx’s affiliates act as the General Partners to the Funds. The General Partners have engaged Radianx to act as investment adviser to the Funds.

### **Item 10.D – Other Investment Advisors**

As noted in Item 5 above, Investors in a Fund indirectly pay expenses, management fees and performance-based compensation of the Portfolio Funds in addition to the Fund expenses and the management fees and performance-based compensation paid to Radianx for managing the Fund. If the Investors invested directly with the Portfolio Funds, they would not pay the Fund expenses and Radianx management fees and performance-based compensation. See Item 5 above for further information.

## **ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### **Item 11.A – Code of Ethics**

Radianx’s Code of Ethics (the “**Code**”) is designed to meet the requirements of Rule 204A-1 of the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”). The Code applies to Radianx’s “Access Persons.” Access Persons include, generally, any partner, officer or director of Radianx and any employee or other supervised person of Radianx who, in relation to Radianx’s advisory clients, (i) has access to non-public information regarding any purchase or sale of securities, or non-public information regarding securities holdings or (ii) is involved in making securities recommendations, executing securities recommendations, or has access to such recommendations that are non-public. All of Radianx’s employees are deemed to be Access Persons.

The Code sets forth a standard of business conduct that takes into account Radianx’s status as a fiduciary and requires Access Persons to place the interests of advisory clients above their own interests and the interests of Radianx. Access Persons must not take any inappropriate advantage of their positions. The Code requires Access Persons to comply with applicable securities laws. Further, Access Persons are required to promptly bring violations of the Code to the attention of Radianx’s Chief Compliance Officer. All Access Persons are provided with a copy of the Code and are required to acknowledge receipt of the



Code upon hire and on at least an annual basis thereafter.

The Code also sets forth certain reporting and pre-clearance requirements with respect to personal trading by Access Persons. Access Persons must provide Radianx's Chief Compliance Officer with a list of their personal accounts and an initial holdings report within 10 days of becoming an Access Person. In addition, Access Persons must provide annual holdings reports and periodic account statements, transaction confirmations and any other information reflecting account or transactional activity in accordance with Advisers Act Rule 204A-1.

The Code also describes Radianx's duty to protect material non-public information about securities/investment recommendations provided to (or made on behalf of) Radianx's clients. Underlying these policies and procedures are two primary principles. First, while in possession of material non-public information, employees may not communicate such material non-public information to others, where such communication would breach a fiduciary duty or other relationship of trust and confidence. Second, employees may not trade (either personally or on behalf of others, including accounts managed by Radianx) while in possession of material non-public information while in possession of material non-public information, where such trading would breach a fiduciary duty or other relationship of trust and confidence. As discussed under Item 11.C, Radianx maintains a Restricted List to track securities of such issuers.

Investors or prospective Investors may obtain a copy of the Code by contacting the Chief Compliance Officer at 646-403-3805 or [palache@radianxcapital.com](mailto:palache@radianxcapital.com).

#### **Item 11.B – Participation or Interest in Client Transactions**

It is Radianx's policy that it will not affect any principal or agency cross securities transactions for client accounts, nor will it cross-trade between client accounts.

#### **Item 11.C and 11.D – Personal Trading Contemporaneous with Client Transactions**

As general partners, limited partners or managing members of the General Partners of each of the Funds, Radianx and its related persons have indirect beneficial interests in the Funds' Portfolio Investments and will share in any profits and losses generated by the Funds' Portfolio Investments. In certain situations, Access Persons of Radianx may make, direct investments in Portfolio Investments held by one or more Funds. All transactions by employees in Portfolio Investments held by one or more of the Funds requires the preclearance of the Chief Compliance Officer or his designee. The Chief Compliance Officer or his designee must determine prior to granting preclearance that such transaction will not take away an opportunity from the Funds. Before Radianx makes a recommendation that a Funds buy or sell interests in a Portfolio Investment, all Access Persons that have direct ownership of such issuer at the time of such recommendation are required to disclose such interest to Radianx and will not be permitted to participate in the discussions or authorizations to recommend that a Funds buy or sell the securities of such issuer. An Access Person shall not be so restricted if such person's only interest in a Portfolio Investment is (i) indirectly held through one of the General Partner entities, the Funds or otherwise or (ii) related to service as a director or advisor of a portfolio company to facilitate Radianx's ability to monitor the investment in such portfolio company.

### **ITEM 12 – BROKERAGE PRACTICES**

#### **Item 12.A – Selection of Broker-Dealers**

To the extent that it makes direct investments in Portfolio Companies, the Funds invest primarily

in non-publicly-traded debt and equity securities, although they may acquire, sell or distribute publicly-traded securities on occasion (for example, where a Funds receives shares of a company as part of a general distribution or initial public offering). To-date, the Funds have neither purchased nor otherwise received any such publicly-traded securities. When selecting private placement opportunities, Radianx believes it satisfies its best execution responsibilities through careful negotiation of the terms of the investment. With respect to those limited instances in which the Funds purchase or sell or distribute publicly traded securities through a broker-dealer, Radianx seeks to satisfy its best execution obligation by considering all relevant facts and circumstances, including the price and size of the order, the trading characteristics of the securities involved, the value of the research provided by each broker, the broker's execution abilities commission rates, and financial responsibility and responsiveness.

#### ***Item 12.A.1 – Research and Other Soft Dollar Benefits***

Radianx does not generally have any soft dollar arrangements with respect to securities transactions for the Funds.

The Portfolio Managers may enter into “soft-dollar” arrangements with respect to the Portfolio Funds where permitted under applicable laws and regulations. In connection therewith, a Portfolio Fund may pay any Broker which provides research services or benefits a commission for executing a transaction for the Portfolio Fund which is in excess of the amount of commission another broker would have charged for effecting that transaction, if a Portfolio Manager is permitted to do so pursuant to the constituent documents of the Portfolio Fund (if applicable) and determines in good faith that such amount of commission is reasonable in relation to the value of the brokerage, research and other services provided by such broker (collectively, “**Products and Services**”). This creates a potential conflict of interest between the duties of the Portfolio Managers to operate the Portfolio Funds in the best interests of investors (including the Funds) and their desire to receive or direct these “soft-dollar” benefits. The Portfolio Managers may derive substantial direct or indirect benefit from these Products and Services, particularly to

the extent they use brokerage commissions to pay for expenses which they would otherwise be required to pay. The investment information received from brokers may be used by the Portfolio Managers in servicing other accounts, and not all such information may be used by the Portfolio Managers in connection with the Portfolio Funds in which the Funds invest. In those cases when a Portfolio Manager indicates that it may engage in soft dollar practices outside the safe harbor provisions of Section 28(e) of the Securities Exchange Act of 1934, Radianx as part of its due diligence review and ongoing monitoring of Portfolio Managers obtains information concerning their soft dollar practices and make an assessment as to whether such practices are appropriate and reasonable under the circumstances.

#### ***Item 12.A.2 – Brokerage for Client Referrals***

Radianx does not consider referrals of Investors to the Funds in determining its selection of broker dealers or other third parties.

#### ***Item 12.A.3 – Directed Brokerage***

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

#### **Item 12.B – Aggregation of Orders of Securities for Client Accounts**

Radianx generally aggregates orders of the same security being purchased and sold at the same time for the Funds. See Item 6 above for a discussion of Radianx's allocation policies.

Portfolio Managers that manage more than one account may face conflicts of interest in allocating securities transactions among clients. Radianx periodically reviews whether the disclosed allocation practices of such Portfolio Managers appear to be appropriate and reasonable under the circumstances. However, there is no guarantee that the Portfolio Managers will adhere to such policies and procedures.

### **Trade Errors**

The Funds will be responsible for any losses resulting from portfolio management, trading or administrative errors in connection with the Funds operations and investment activities, in the absence of gross negligence fraud or willful misconduct by Radianx or its respective affiliates or personnel. Such errors might include, for example, incorrect entry of a trade into an electronic trading system and/or errors when reconciling trade activity. Investors should assume that such errors will occasionally occur and an Investors investment in the Fund will be adversely impacted by any resulting losses due to trade errors.

Generally, a Portfolio Fund (and not its Portfolio Manager) will be responsible for any losses resulting from portfolio management, trading or administrative errors in connection with such Portfolio Fund's investment activities, in the absence of fraud, willful misconduct or gross negligence by the Portfolio Manager or its affiliates or personnel. In such circumstances, any gains or benefits that result from trade errors generally will also accrue to the applicable Portfolio Fund. Given the volume of transactions executed by the Portfolio Managers on behalf of the Portfolio Funds, investors should assume that any such errors might occur, and that a Fund's investment in any Portfolio Fund may be adversely impacted by any resulting losses due to trade errors, even if such losses result from the negligence of the Portfolio Manager of such Portfolio Fund or its affiliates or personnel.

## **ITEM 13 – REVIEW OF ACCOUNTS**

### **13.B - Reports to Clients**

The Funds distribute quarterly and annually written reports to their respective limited partners. Annual reports generally contain an individual capital account statement as of the end of such fiscal year, a list of the Funds' investments as of the end of the applicable fiscal year and the audited financial statements of the Funds. The quarterly reports are distributed for the first three quarters of each fiscal year and generally contain a list of the Funds' investments at the end of the applicable quarter and the Investor capital account balances as of the end of such quarter.

Investors are requested to refer to the governing documents of each Fund for further information on the reports provided by a particular Fund to its Investors.

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

### **Item 14.B – Compensation for Client Referrals**

Radianx and related persons of Radianx may in the future, enter into compensation arrangements with unaffiliated placement agents or third parties for introducing Investors to a Fund. In accordance with the terms of the relevant Fund's governing documents, any such placement agent fees ultimately will be payable by Radianx and/or its related entities, either directly or through an offset of the advisory fee payable by the relevant Funds to Radianx. A Fund's Investor will not bear any additional charges as a result of an introduction through a placement agent or other unaffiliated third party.

Radianx endeavors at all times to put the interests of the Investors first as part of Radianx's fiduciary duty. Nevertheless, the receipt of compensation by a placement agent creates a potential conflict of interest, and may affect the judgment of such placement agent when referring prospective Investors to Radianx and

the Funds.

## **ITEM 15 – CUSTODY**

Radianx will not have physical custody of any client assets (other than physical custody of certain privately offered securities held directly or indirectly by the Funds to the extent permitted by the Advisers Act). Nevertheless, Radianx is deemed to have constructive custody of the assets of the Funds as a result of its position as an affiliate of the General Partner of each Funds.

It is Radianx's policy to cause each Funds with assets over which Radianx is deemed to have "custody" to be audited annually and distribute audited financial statements, prepared in accordance with U.S. generally accepted accounting principles ("GAAP"), to Investors no later than 180 days after the end of each fiscal year. In addition, upon the final liquidation of any Fund, Radianx will obtain a final audit of the Fund's financial statements prepared in accordance with GAAP with and distribute the audited financial statements to all of the Fund's Investors promptly after completion of the audit.

## **ITEM 16 – INVESTMENT DISCRETION**

We generally have discretionary authority based on the investment advisory agreements with, and the governing documents of, the Funds, to buy and sell Portfolio Investments on their behalf, including, without limitation, to determine the amount of such investments to be bought and sold, subject to such restrictions that may be imposed in the applicable investment advisory agreements and governing documents for each Fund. These terms may restrict our advice concerning investments in certain securities or geographies, concentration limits or leverage, among others. In addition, as noted under Item 4.C, Radianx and its affiliates have entered (and may in the future enter) into agreements, or "side letters," with Investors whereby such Investors may have certain rights, including the right to opt-out of particular investments.

## **ITEM 17 – VOTING CLIENT SECURITIES**

### **Item 17.A – Authority to Vote Client Securities**

Radianx has authority to vote client securities. Radianx has adopted and implemented policies and procedures reasonably designed to ensure that public company proxies as well as portfolio company solicitations received by Radianx on behalf of a client (together, "proxies") are voted in the best interests of its clients and to recognize and resolve any material conflicts of interest that may arise in the course of such voting.

Radianx will vote proxies in the best interests of the relevant client. Prior to voting a proxy addressed to a Fund, typically a member of Radianx's internal legal team or the Chief Compliance Officer will discuss the proxy (which may be in person, by telephone or by email) with the Radianx investment professionals with knowledge of the relevant portfolio company. Such individuals, in conjunction with Radianx's legal team or the Chief Compliance Officer, will review the proxy to determine (among other things) if there are any conflicts of interest. If a conflict is identified, such individuals (together with the Chief Operating Officer) will then make a determination as to whether the conflict is material or not. If no material conflict is identified pursuant to these procedures, the proxy will be voted in accordance with the best interest of the relevant Fund.

If a material conflict is identified, such individuals will determine what course of action is in the

best interests of the affected Fund (which may include (i) utilizing an independent third-party to vote such proxies, (ii) disclosing the conflict of interest to the applicable Radianx client and obtaining its consent prior to voting or (iii) such other method as is deemed appropriate under the circumstances).

Investors in the Funds do not have the ability to direct proxy votes. Investors may obtain additional information regarding how Radianx voted proxies and may obtain a copy of Radianx's proxy voting policies and procedures by contacting the Chief Compliance Officer at 646-403-3804 or [palache@radianxcapital.com](mailto:palache@radianxcapital.com).

Radianx will not be the lead plaintiff in class action lawsuits or actively participate in the litigation of any such lawsuit. Furthermore, Radianx expects that with respect to most class action settlements it will not file proofs of claim on behalf of the Funds because of the immaterial amounts that will be recovered by filing such proofs of claim.

**Item 17.B – Lack of Authority to Vote Fund Securities**

Not applicable.

**ITEM 18 – FINANCIAL INFORMATION**

**Item 18.A – Balance Sheet**

Not applicable.

**Item 18.B – Financial Conditions Likely to Impair Contractual Commitments**

Not applicable.

**Item 18.C – Bankruptcy Petitions**

Not applicable.

**ITEM 19 – REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

Radianx is not registering, nor is it currently registered, as an investment adviser with any state securities authorities.