

**Item 1 – Cover Page**

# **MEASURE 8 VENTURES MANAGEMENT LLC**

## **Part 2A of Form ADV The Brochure**

420 LEXINGTON AVENUE, SUITE 2048  
New York, NY 10170  
646-755-7400  
www.m8vp.com

March 2023

This brochure provides information about the qualifications and business practices of Measure 8 Ventures Management, LLC (“Measure 8 Ventures Management”) and its affiliated entities, Measure 8 GP, LLC, Measure 8 GP II, LLC, Measure 8 Full Spectrum GP, LLC, Measure 8 Opportunities GP, LLC, M8 Phoenix, LLC, Measure 8 SIF Member, LLC (“Measure 8” or the “Company”). If you have any questions about the contents of this brochure, please contact us at 646- 755-7400. 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 Measure 8 is available on Measure 8’s website at: <https://m8vp.com/> and at <https://www.linkedin.com/company/measure8venturepartners/about/>. Additional information about Measure 8 is also 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 MEASURE 8 OR ANY PRINCIPALS OR EMPLOYEES OF MEASURE 8 POSSESS A PARTICULAR LEVEL OF SKILL OR TRAINING IN THE INVESTMENT ADVISORY OR ANY OTHER BUSINESS.

## Item 2. Material Changes

This document serves as Measure 8's Brochure and is dated March 2023. Since filing its last brochure:

- Measure 8 Ventures Management (via Measure 8 SIF Member, LLC) launched M8 Cipher Fund, LLC, a Special Investment Fund ("SIF"), which has completed an investment in NeatLeaf, Inc., a Delaware corporation;
- Measure 8 Ventures Management (via Measure 8 Full Spectrum GP, LLC) launched Measure 8 Full Spectrum Offshore Fund, LP, a feeder fund to Measure 8 Full Spectrum Fund, LP;
- Miraziz Khidoyatov joined Measure 8 as Director of Legal and Compliance;
- Measure 8 Ventures Management changed its Prime Broker for its Hedge Funds to Jefferies LLC;
- Anna Evdokimova has been removed from the Investment Committee of Measure 8 Ventures, LP, except for the Class A investment for the purposes of which she will remain a member of the Investment Committee.

There have been no other material changes to the business, structure, or personnel of Measure 8 since its previous brochure.

Measure 8 encourages all current and prospective clients and investors to read it carefully in its entirety. This brochure identifies and discuss the material changes since the last annual update to assist investors and make them aware of certain information that has changed since the prior year's brochure and that may be important to them.

## **Item 3. Table of Contents**

<b>Item 1 – Cover Page .....</b>	<b>1</b>
<b>Item 2. Material Changes .....</b>	<b>2</b>
<b>Item 3. Table of Contents .....</b>	<b>3</b>
<b>Item 4. Advisory Business .....</b>	<b>4</b>
<b>Item 5. Fees and Compensation .....</b>	<b>6</b>
<b>Item 6. Performance Based Fees and Side-by-Side Management .....</b>	<b>10</b>
<b>Item 7. Types of Clients .....</b>	<b>11</b>
<b>Item 8. Methods of Analysis, Investment Strategies and Risk of Loss .....</b>	<b>12</b>
<b>Item 9. Disciplinary Information .....</b>	<b>23</b>
<b>Item 10. Other Financial Industry Activities and Affiliations .....</b>	<b>24</b>
<b>Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading ....</b>	<b>26</b>
<b>Item 12. Brokerage Practices .....</b>	<b>28</b>
<b>Item 13. Review of Accounts .....</b>	<b>33</b>
<b>Item 14. Client Referrals and Other Compensation .....</b>	<b>34</b>
<b>Item 15. Custody .....</b>	<b>35</b>
<b>Item 16. Investment Discretion .....</b>	<b>36</b>
<b>Item 17. Voting Client Securities .....</b>	<b>37</b>
<b>Item 18. Financial Information .....</b>	<b>38</b>

## Item 4. Advisory Business

Measure 8 and its affiliates, Measure 8 GP, LLC, Measure 8 GP II, LLC, Measure 8 Full Spectrum GP, LLC, Measure 8 Opportunities GP, LLC, M8 Phoenix, LLC, and Measure 8 SIF Member, LLC, are Delaware limited liability companies based in New York, NY. Measure 8 is a privately held alternative asset manager founded in January 2018. Mr. Jordan is the sole owner of, and controls Measure 8. Mr. Ort is the Chief Executive Officer of Measure 8.

Measure 8 serves as investment adviser to three venture capital private equity funds (“VC Funds”) and expects to launch other venture capital private equity funds in the future (“Fund 2” and together with VC Funds, the “Closed-End Funds”). Measure 8 also advises three hedge funds, Measure 8 Full Spectrum Fund, LP, Measure 8 Full Spectrum Offshore Fund, LP, and Measure 8 Opportunities Fund, LP (the “Open-End Funds”, together with the Closed-End Funds, the “Funds”). Additionally, Measure 8 serves as investment adviser to separately managed accounts (the “SMAs” and collectively with the Funds, the “Clients”). Mr. Jordan is Chief Investment Officer of the Closed-End Funds and SMAs. Mr. Ort is the Chief Investment Officer of the Open-End Funds.

Measure 8 will seek to generate maximum capital growth for Clients through the use of an analytically driven investment approach focused on uncovering opportunities in niche markets, specifically the cannabis and hemp industries, and ancillary businesses, in accordance with their respective investment management agreement, offering memorandum, limited partnership agreement, and subscription documents (the “Governing Documents”). The Open-End Fund and the SMA will allocate its assets to the public and pre-public markets and employ both a long-term and short-term investment horizon. The Close-End Funds will seek primarily private market investments targeting returns in excess of 30% IRR, and will invest in minority stakes, seeking a lead-investor role in each investment round. With respect to the Closed-End Funds, the Principals have a history of hands-on investing and anticipate working closely with portfolio companies on strategy, recruiting and further capital raising.

Measure 8 currently provides investment advice directly to the Funds and not individually to their investors. Measure 8 advises SMAs pursuant to investment advisory agreements between Measure 8 and the SMA. Information regarding Clients included in this brochure is qualified in its entirety by information in the Clients’ Governing Documents. Investors and prospective investors in the Funds should refer to the Governing Documents for more detailed information on the investment objectives and investment restrictions with respect to the Funds. There is no assurance that any of the Funds’ investment objectives will be achieved. This brochure is designed solely to provide information about Measure 8 and should not be considered an offer of interests in any Measure 8 Funds. Any such offer may be made only by delivery to the prospective investor of the Governing Documents of the relevant fund under consideration.

As an investment adviser to the Clients, Measure 8:

- Identifies and evaluates investment opportunities for Clients;
- Structures and negotiates the terms of investments to be made by Clients;

- Monitors and reviews all documents required to complete the Clients' investment transactions;
- Monitors the performance of Clients' investments;
- Evaluates, structures, and supervises, if appropriate, the timing and method of disposition or liquidation of investments; and
- Prepares and transmits the reports required to be prepared and delivered to the investors of each Fund pursuant to their respective Governing Documents.

Co-Investments: Measure 8 offers co-investment opportunities to the investors of the Funds, the general partners, its employees, or others as deemed appropriate. Typically, the investment terms of the target company are the same for the Closed-End Fund and co-investment entities. All co-investments' entities pay their pro-rata share of expenses and are subject to any applicable legal, tax or regulatory considerations.

As of December 31, 2022, Measure 8 manages \$234,819,919 in discretionary assets and \$72,117,226 in non-discretionary assets.

## Item 5. Fees and Compensation

All investors and potential investors should review the Governing Documents for the Funds in conjunction with this brochure for more complete information on the fees and compensation payable with respect to the Funds.

Measure 8's revenue is derived from investment management fees and incentive/performance fees. While a general description of these fees is discussed herein, specific terms of these arrangements are detailed in the Governing Documents for each Fund. SMAs fees are negotiable and detailed in each client's investment management agreement. Generally, SMA fees are invoiced quarterly in advance. With respect to the Funds, Measure 8 and its affiliates including the Funds' general partners, generally receive an annual management fee equal to or up to 2.00% of assets under management (with exception of Phoenix Growth, a Closed-End Fund, which received one-time investment fee), and an annual performance allocation of up to 20% of net profits. Measure 8 debits management fees directly from the Funds' custodial accounts in arrears for the Open-End Fund and in advance for the Closed-End Funds. Incentive allocations are assessed directly against investors' capital account balances, are generally assessed annually and are subject to each investor's respective high-water mark. In addition, redemptions in the Open-Fund are subject to a 5% fee payable to the Fund if redeemed within the first 12 months of initial investment.

Measure 8's management fees vary by Client and Measure 8 reserves the right to waive or reduce fees for certain investors, including employees and others as may be determined in Measure 8's sole discretion. Generally, Measure 8 management persons or employees, their relatives and investment or estate planning vehicles, do not pay management fees and/or performance-based compensation on their Fund investments. However, such investors are still assessed their pro-rata share of Fund expenses, which will either be paid by such investors directly or allocated to Measure 8. Measure 8 will be reimbursed by the Funds for out-of-pocket expenses incurred on behalf of the Funds. However, the Funds do not reimburse Measure 8 or the general partner for general overhead costs. If Measure 8 provides advisory services to separately managed accounts, these accounts generally will not be assessed a management fee and will only pay incentive fees.

Mutual funds, closed-end funds, exchange traded funds and alternative investment funds are investment vehicles and the investment strategies, objectives and types of securities held by such funds vary widely. In addition to the advisory and/or performance fee charged by Measure 8, clients indirectly pay for the expenses and advisory fees charged by the funds in which their assets are invested. All such funds incur operating expenses in connection with the management of the fund. Investment funds pass some or all of these expenses through to their shareholders (the individual investors in the funds) in the form of management fees. The management fees charged vary from fund to fund. In addition, funds charge shareholders (individual investors in the funds) other types of fees such as early redemption or transaction fees. These charges also vary widely among funds. As a result, clients will still pay management fees, and/or performance

fees, and other, “indirect” fees and expenses as charged by each mutual fund (or other fund) in which they are invested.

In addition to management fees and incentive allocations, Clients and investors in the Funds bear a variety of other expenses, including, as applicable Funds formation expenses; research and due diligence, including travel-related expenses associated with research and due diligence such as airfare, hotel accommodations, train tickets; quotation and valuation services; underwriting and private placements; order management software; brokerage commissions; transactions costs; “broken deals” (i.e., transactions which are not ultimately consummated by the Funds); trade settlement; interest; custody fees; audit, tax and legal expenses; regulatory and compliance expenses, including Form PF, Regulation D and state blue sky filings, and other filings of the Funds, the general partners and the Company; fund administration expenses (such as, but not limited to, performing risk management, fund accounting, investor reporting costs, calculating Net Asset Values, and anti-money-laundering, client identification, and know-your-customer analyses) and other service provider expenses; insurance premiums of the Funds, the general partners and the Company (including insurance premiums with respect to any of their principals, partners and officers); directors costs; costs of any litigation or investigation and costs associated with reporting; liability insurance; any costs of providing information to existing and prospective investors; and other ongoing operational expenses. Clients bear technology and communication expenses related to research (including Bloomberg services), although technology and other costs may be offset using “soft dollars” (See discussion of soft-dollar expenses below in the section The Receipt of Research and Other Soft Dollar Benefits).

Measure 8 Principals and employees generally do not receive break-up, success, monitoring, consulting or other similar fees in connection with their board of directors or other service to portfolio companies (except as described below with respect to the Curaleaf investment). In the event that such fees are received by Measure 8 in the future it is expected that such fees would reduce management fees payable to Measure 8 in accordance with, and subject to the applicable terms of the Funds’ respective Governing Documents.

In addition to the full-time investment professionals of Measure 8, the Company may engage the services of certain operating partners to work actively with Measure 8 on sourcing and evaluating new transactions, as well as providing strategic insights related to portfolio company matters for the Closed-End Funds. While these advisers may, from time to time, be referred to as “Operating Partners,” they are not partners or employees of Measure 8 or any of its affiliates, but rather independent consultants engaged by Measure 8. The compensation of such individuals, including, but not limited to, transaction fees and other items detailed herein, for their provision of services to (or with respect to) certain portfolio companies are generally treated as an expense of the relevant Close- End Fund, and such compensation generally will not result in additional offsets to the management fees payable by investors in the Closed-End Fund.

Measure 8 may invest a portion of the Funds’ assets in shares of mutual funds or other investment companies, including Exchange Traded Funds (“ETFs”), and other private funds. Assets invested in such vehicles will be included in computing the management fees paid to Measure 8. The same assets will also be subject to additional advisory and other fees and

expenses, as set forth in the offering documents of those investment vehicles, paid by the investment vehicles, but ultimately borne by the Funds.

Measure 8 or the Funds may enter into separate agreements, including “side letters,” with certain investors to waive certain terms or to allow such investors to invest on terms different than those specifically described in the Fund’s Governing Documents. The side letters may waive or change terms including annual management fees, performance allocation and limit the investor’s payment of Fund expenses, described above. These agreements create preferences or priorities for investors with side letters relative to other investors in a Fund.

Neither Measure 8 nor its supervised persons accept compensation for the sale of securities or other investment products outside of its association with Measure 8.

*Specific to VC Funds and Measure 8 Full Spectrum Fund, LP (“Full Spectrum Fund”) investments in Curaleaf Holdings Inc. and Phoenix Growth, LLC (“Phoenix Growth”) investments in Curaleaf International Holdings Limited:*

Curaleaf Holdings, Inc. (“Curaleaf”) is a multi-state cannabis operator whose shares are listed on the Canadian Securities Exchange, and a portfolio company of VC Funds. Curaleaf International Holdings Limited (“Curaleaf International”), a majority-owned subsidiary of Curaleaf, is Europe’s largest vertically integrated cannabis company. VC Funds and Full Spectrum have indirect interests in Curaleaf International through their ownership of shares of Curaleaf and Phoenix Growth has a direct interest in Curaleaf International. Full Spectrum Fund has acquired a position in Curaleaf Holdings shares as a result of the acquisition by Curaleaf of GR Companies, Inc., a company in which Full Spectrum had an investment. Phoenix Growth has acquired a position in Curaleaf International shares in connection with its financing the acquisition of Curaleaf International’s acquisition of cannabis assets in Europe. At the current time, Mr. Jordan and Peter Clateman, members of Measure 8, each serve in executive capacities with Curaleaf. Mr. Jordan and Mr. Clateman each receive compensation, approved by the board of directors of Curaleaf, for performing their respective functions. Investors in VC Funds have approved such compensation and investors in Full Spectrum and Phoenix Growth have been informed of such compensation. Such compensation received by Mr. Jordan and Mr. Clateman do not reduce fees owed by VC Funds and Full Spectrum, Phoenix Growth, to Measure 8, and VC Funds and Full Spectrum, Phoenix Growth, do not receive any economic benefits from this relationship (although they may indirectly benefit through the support such services provide to Curaleaf and Curaleaf International). Please refer to Item 10 for a further discussion on Curaleaf.

In addition, from time to time, Measure 8’s members or employees receive director’s or other fees or remuneration (whether in the form of cash, securities or otherwise) from Curaleaf in connection with such members’ or employees’ service on the boards of directors of Curaleaf, or for providing services to Curaleaf in a different capacity. Such fees or remuneration will not be used to reduce fees owed to Measure 8 by VC Funds or Full Spectrum, nor will the economic benefit thereof otherwise be provided to VC Funds or Full Spectrum (although they may indirectly benefit through the support of such services provide to Curaleaf). While Measure 8 does not normally charge portfolio companies management or monitoring fees, Measure 8 and its affiliates may on occasion charge Curaleaf market rate consulting fees established on an arm’s

length basis and based on the actual time spent by their respective professionals in assisting Curaleaf. Such fees will not offset management fees payable by VC Funds or Full Spectrum to Measure 8.

## **Item 6. Performance Based Fees and Side-by-Side Management**

See discussion of performance-based fees in the Fees and Compensation section (Item 5) above.

Measure 8 has an incentive to favor higher fee-paying Client accounts, which frequently include those that pay performance-based compensation, over other accounts. Measure 8 has a conflict of interest when one fee structure causes higher fees to Measure 8 than the other fee structure, because Measure 8 has an incentive to favor the Client accounts that pay the higher fees. However, Measure 8 is committed to acting at all times in the best interests of the Funds. To this end, the Company has implemented internal controls to address the potential conflicts associated with performance-based fees, as more fully described in each Funds Governing Documents. Measure 8 does not take such differing fees structures into account in making investment recommendations or allocating trades. Measure 8 has adopted policies and procedures designed to address such potential conflicts, including policies that govern Measure 8's trading practices. Such policies address, among other practices, personal trading by Measure 8 personnel, the aggregation and allocation of trades among Clients, brokerage allocation, cross trades and best execution. In addition, Measure 8 has processes to review Client account investment allocations on a regular basis.

Incentive allocations based on Client account performance could also motivate Measure 8 to invest assets aggressively. Although Measure 8 will always seek to invest Client assets appropriately and manages each Fund in accordance with the investment strategies disclosed in the Fund's Governing Document to ensure that Fund investors are aware of the relevant strategies and related risks, investors in the Funds should nonetheless be aware of the potential conflicts of interest posed by incentive-based compensation. The incentive allocation will only be charged to accounts of those investors who are "qualified clients" as defined in Rule 205-3 of the Advisers Act.

## **Item 7. Types of Clients**

Measure 8 currently provides investment advisory services to the Funds and the SMAs. Investment advice is provided directly to the Funds and not individually to its investors. Investors in the Funds may include, but are not limited to, high net worth individuals, banks, thrift institutions, pension and profit-sharing plans, sovereign wealth funds, trusts, estates, endowments, foundations, and corporate or other business entities. Investment advice to the SMA is provided in accordance to the client's investment management agreement which includes limitations and restrictions placed by the client.

Details concerning applicable investor suitability criteria are set forth in the Funds' Governing Documents. Generally, investors must invest a minimum dollar amount of \$1,000,000; the general partners of the Funds may waive the minimum investment amount. Subject to the discretion of Measure 8 to accept less, the minimum investment threshold for the Funds ranges from \$250,000 to \$1,000,000. There is no set minimum for SMA accounts. Each investor and SMA client are required to meet certain suitability qualifications, such as being an "accredited investor" and "qualified purchaser" within the meaning set forth under the United States federal securities laws and as set forth in the applicable Governing Documents.

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

### Investment Philosophy

The investment objective of Clients is to achieve superior absolute returns through a full spectrum approach to cannabis investing. Measure 8 intends to allocate to the public and private markets, and employ both a long and short-term investment horizon, to leverage its knowledge of individual businesses and the significance of industry developments to capture the complete opportunity. While Measure 8 seeks to achieve each Client's stated investment objective, there is no guarantee that it will succeed. Investing in securities and other financial instruments involves risk of loss that Clients should be prepared to bear. This section gives more information on the material risks that may apply to a Client portfolio depending on its investment strategy. Investors in the Funds should review the Governing Documents of such Fund for additional information regarding the risks associated with their investment.

### Methods of Analysis

Measure 8 makes investment decisions through its deep understanding of the cannabis and hemp industries by tracking industry developments and on a bottom-up basis based on careful fundamental analysis of issuers by conducting due diligence around companies and their securities. Measure 8 intends to conduct detailed fundamental research on all investments. The investment program begins with targeted relationship development to assist in the identification of the highest-quality entrepreneurs and management teams. From there, the program includes identifying the right companies, deal sourcing, due diligence, various internal approvals, funding, monitoring, and realization and exits. In addition to its personal relationships, Measure 8's methods of analyses are fundamental, cyclical and technical, using financial newspapers and magazines; inspection of corporate activities; research materials prepared by others; corporate rating services; timing services; annual reports, prospectuses, filings with the SEC; and company press releases.

Full Spectrum Fund seeks to achieve strong absolute returns with a unique approach to cannabis investing. Full Spectrum Fund will make wide-ranging investments across a broad spectrum of cannabis businesses that the Measure 8 believes will benefit from eventual global legalization. Full Spectrum Fund will allocate its assets to the public and pre-public markets and employ both a long- and short-term investment horizon.

Measure 8 Opportunities Fund, LP ("Opportunities Fund") will seek to achieve strong returns with a strategic and opportunistic approach to investing. Opportunities Fund will make investment across a broad spectrum of time horizons and businesses but with the common criteria that Measure 8 believes it has identified a skewed risk/reward situation. Opportunities Fund will allocate its assets to global equities and options, but with a particular focus on the U.S. and disruptive, emerging industries, employing both long- and short term investment horizon.

In evaluating potential investment opportunities, Measure 8's plan is to:

- Isolate and balance the cannabis specific factors that drive long-term investment performance;
- Carefully weigh corporate and industry fundamentals against investor sentiment and positioning;
- Identify companies with business plans and execution skills to outperform peers;
- Perform detailed bottom-up analysis coupled with a deep understanding of markets and the cannabis and hemp industries;
- Identify defined trade setups, with specific catalysts, exit strategies and time horizon;
- Participate in attractive capital markets opportunities such as IPO's, PIPEs, or secondaries;
- Capitalize on short-term dislocations in specific stocks, sectors or markets generally;
- Utilize event driven trading strategies;
- Embrace extreme market volatility or industry turmoil with active trading; and
- Utilize options to gain additional exposure to a particular idea.

#### Investment Strategies

Measure 8 seeks to generate significant growth through the use of a long-term, analytically driven investment approach focused on uncovering opportunities in cannabis and hemp industries, as well as in businesses that serve these industries through technological innovation. Based on its investment technology and research, Measure 8 is able to evaluate the numerous factors that affect emerging opportunities, such as changes in levels of profitability and relative valuations. Measure 8's dedication to the cannabis and hemp industries is essential to understanding the companies in these industries because information is often sparse and not always accurate. Measure 8's focus on companies and industries that are too small for major funds, providing the opportunity for the Funds to have a significant impact in the market. Measure 8 believes the cannabis and hemp industries are amongst the fastest growing and promising markets in the U.S. and in the world. Measure 8 also considers the potential for the technology or business models of target companies to be used in sectors outside cannabis and hemp industries, providing additional growth opportunities and a hedge against the growth of legal cannabis markets.

Measure 8 will only support companies operating legally in states with cannabis regulatory schemes that comply with the guidance that has been issued by the U.S. Department of Justice. While this guidance has been rescinded, Measure 8 continues to support companies that follow it as a best practice.

#### *Specific to Measure 8 Opportunities Fund, LP*

Opportunities Fund seeks to achieve strong absolute return with a strategic and opportunistic approach to investing, without focusing on a particular industry. The Opportunities Fund will make investments across a broad spectrum of time horizons and businesses but with the common criteria that Measure 8 believes it has identified a skewed risk/reward situation. Upon identifying a target situation, Measure 8 will seek to position the Opportunities Fund to best capitalize on this situation.

Measure 8 will employ an investment strategy for the Opportunities Fund that includes both long-term and short-term investments in target companies. Measure 8's approach relies on the unpredictability of the market and the advantage of being nimble, with each investment opportunity appearing in the context of the market rather than from a focus on a particular stock. By conducting a series of opportunistic trades of varying duration, each independently constructed with these rigorous return screens, Measure 8 intends to have more control over outcomes.

The investment strategies summarized above represent Measure 8's current intentions and are not exhaustive. Measure 8 may use any trading or investment techniques, whether or not contemplated by the expected investment strategies described above, as described in the Governing Documents.

#### Portfolio Construction of Open-end Fund and SMAs:

- Publicly traded stocks that are considered too small for investment by mainstream funds
- Pre-public securities
- Holdings reflect risk/reward/liquidity
- Diversify across verticals and geographies
- Continuously assess core positions
- Evaluate portfolio to assure optimal allocation
- Hedge core longs with short positions
- Alpha generating shorts
- Disciplined and tactical

#### Portfolio Construction of Closed-End Fund

- Equity and equity-linked (including convertible) securities of private companies
- Early stage publicly traded companies Debt instruments
- Companies seeking growth capital between \$3 million to \$15 million from the Fund,
- Attractive valuations with downside protection where possible and a clear path to exit opportunities Real estate infrastructure for lease to producers and distributors
- Target returns in excess of 30% IRR
- Minority stakes, seeking a lead-investor role in each investment round.

#### Risk Management

Measure 8 will manage the risk in the portfolio holistically by seeking to:

- Avoid concentration in any single geography or business segment
- Employ discipline on both entry and exit, actively trimming positions as upside erodes
- Decrease exposure during times of extreme market volatility or industry turmoil
- Have defined stop prices cohesively integrated across the portfolio
- Perform extensive due diligence and buy best-in-class companies that it understands well
- Constantly monitor positions to confirm investment merits after entry.

## Material Risks

Investment and Trading Risks in General - All investments risk the loss of capital. No guarantee or representation is made that the Funds' investment program will be successful, and investment results may vary substantially over time. Prospective investors should consider the following factors in evaluating the merits and suitability of an investment in the Funds.

## Fee Structure Risks

Mutual funds, closed-end funds, exchange traded funds and alternative investment funds are investment vehicles and the investment strategies, objectives and types of securities held by such funds vary widely. In addition to the advisory and/or performance fee charged by Measure 8, clients indirectly pay for the expenses and advisory fees charged by the funds in which their assets are invested.

All such funds incur operating expenses in connection with the management of the fund. Investment funds pass some or all of these expenses through to their shareholders (the individual investors in the funds) in the form of management fees. The management fees charged vary from fund to fund. In addition, funds charge shareholders (individual investors in the funds) other types of fees such as early redemption or transaction fees. These charges also vary widely among funds. As a result, clients will still pay management fees, and/or performance fees, and other, "indirect" fees and expenses as charged by each mutual fund (or other fund) in which they are invested.

## Related Partners Risks

Client portfolios are dependent on the continued service and active trading efforts of its key managers and employees, including Mr. Jordan and Mr. Ort. If the services of any such key managers or employees with the Advisor were to discontinue or lapse for any reason, client portfolios in all likelihood would be adversely affected.

## Cannabis Related Risks

Cannabis Remains Illegal Under Federal Law. Cannabis is classified as a Schedule I controlled substance under the U.S. Controlled Substances Act of 1970, as amended (the "Controlled Substances Act") and is illegal under federal law for any purpose. Even in those states in which the use of cannabis has been legalized, its use remains a violation of federal law and state and federal laws regarding cannabis often conflict. Since federal law criminalizing the use of cannabis preempts state laws that legalize its use, strict enforcement of federal law regarding cannabis would likely cause significant financial harm to the businesses in which the Partnership invests and the ability of the Partnership to pursue its investment strategy. Schedule I substances by definition have a high potential for abuse, have no currently "accepted medical use" in the United States, lack accepted safety for use under medical supervision, and may not be prescribed, marketed or sold in the United States.

As of the date of this Memorandum, 41 U.S. states, the District of Columbia, and the territories of Puerto Rico, the U.S. Virgin Islands, Guam, and the Northern Mariana Islands have legalized some form of cannabis for medical use. This is while 21 states, the District of Columbia, the U.S. Virgin Islands, Guam and Northern Mariana Islands have legalized the adult use of cannabis for recreational purposes.

These state laws are in conflict with the federal Controlled Substances Act, which makes cannabis use and possession illegal on a national level. The legal cannabis industry in the U.S. is at an early stage of its development. Cannabis has been, and is expected to continue to be, a controlled substance for the foreseeable future. Consumer perceptions regarding legality, morality, consumption, safety, efficacy, and quality of cannabis are mixed and evolving. Consumer perception can be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of cannabis products. There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favorable to the cannabis market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favorable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for cannabis and on the business, results of operations, financial condition and cash flows of the Partnership's portfolio investments and accordingly the Partnership. Further, adverse publicity reports or other media attention regarding cannabis in general, or associating the consumption of cannabis with illness or other negative effects or events, could have such a material adverse effect.

Portfolio Companies May Have Difficulty Operating in the Face of Stringent and Inconsistent Regulation. Most banks and other financial institutions in the United States do not appear to be comfortable providing banking services to cannabis-related businesses. In addition, banks may refuse to process debit card payments and credit card companies generally refuse to process credit card payments for cannabis-related businesses. As a result, the Funds and their portfolio companies may have limited or no access to banking or other financial services in the United States. In addition, federal money laundering statutes and Bank Secrecy Act regulations discourage financial institutions from working with any organization that sells a controlled substance, regardless of whether the state it resides in permits cannabis sales. Consequently, businesses involved in the cannabis industry, including the Funds, often have trouble finding a bank or other financial institutions willing to accept their business. The inability to open bank accounts may make it difficult for the portfolio companies in which the Funds invest to conduct business and grow. Moreover, the success of the Funds depends in part upon its ability to select service providers. Unlike other private funds that do not invest in the cannabis industry, the Funds may experience challenges in retaining the services of certain third-parties as a result of its investment strategy, which limits the universe of potential service providers that the Partnership would otherwise be able to engage.

Laws and regulations affecting the cannabis industry are constantly changing, which could detrimentally impact the businesses in which the Funds invest. The companies in which the Funds invest are subject to various laws, regulations and guidelines relating to the manufacture,

management, transportation, storage and disposal of cannabis, as well as being subject to laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. Litigation, complaints and enforcement actions could consume considerable amounts of financial and other corporate resources of the Funds' portfolio companies, which could have a negative impact on their sales, revenues, profitability, and growth prospects. Local, state and federal cannabis laws and regulations are broad in scope and subject to evolving interpretations, which could require the Funds to incur substantial costs associated with compliance or alter its business plan. In addition, violations of these laws and regulations, or allegations of such violations, could disrupt the Funds' business and result in a material adverse effect on its operations. In addition, it is possible that regulations may be enacted in the future that will be directly applicable to portfolio companies and the Funds. The Investment Manager cannot predict the nature of any future laws, regulations, interpretations, or applications, nor can it determine what effect additional governmental regulations or administrative policies and procedures, when and if promulgated, could have on portfolio companies and the Partnership.

Businesses involved in the cannabis industry face intense competition, may have limited access to the services of banks, may have substantial burdens on company resources due to litigation, complaints or enforcement actions, and are heavily dependent on receiving necessary permits and authorizations to engage in cannabis research or to otherwise cultivate, possess or distribute cannabis. Variations in state and local regulation and enforcement in states that have legalized medical or adult-use cannabis that may restrict cannabis related activities, may negatively affect the Partnership's investment returns.

Cannabis is an agricultural product. There are risks inherent in the cultivation business, such as insects, plant diseases and similar agricultural risks. Although the products are usually grown indoors or in green houses under climate-controlled conditions, with conditions monitored, there can be no assurance that natural elements will not have a material adverse effect on production and, consequentially, on the business, financial condition and operating results of the Partnership's portfolio investments.

Tax Risks Related to Controlled Substances. Section 280E of the Code ("Section 280E") prohibits businesses from deducting certain expenses associated with trafficking-controlled substances (within the meaning of Schedule I and II of the Controlled Substances Act). Legislatures of U.S. states where medical and/or adult-use cannabis is legal have or are considering special taxes or fees related to the cannabis industry. It is uncertain at this time whether other state legislatures are in the process of reviewing such additional taxes and fees. The implementation of special taxes or fees could have a material adverse effect upon the businesses, results of operations and financial condition of the portfolio investments of the Partnership.

The Effect of State Civil and Criminal Laws on Limited Partners the Investment Manager and the General Partner. Although portfolio companies may legally conduct business in conformance with state rules and regulations in those states that have passed legislation and adopted regulations, Measure 8, the Funds and investors theoretically face exposure in those states that have not passed legislation and if such persons are located in states where cannabis remains illegal, they may be at risk of prosecution under state conspiracy, aiding and abetting, and

money laundering statutes, and be at further risk of losing their investments or proceeds under forfeiture statutes. Many states remain fully able to take action to prevent the proceeds of cannabis businesses from entering their state. Because legalization in these states is so new, it remains to be seen whether these states would take such action and whether a court would approve it. Limited Partners should be aware of these potentially relevant state laws in considering whether to invest in the Partnership.

*Small- and Mid-Capitalization Issuers* - Investing in the securities of companies with small- or mid- capitalization can involve greater risk and the possibility of greater portfolio price volatility than is typically associated with equity investments in larger, more established companies. These securities may have limited marketability and may be subject to more abrupt or erratic movements in price than securities of companies with larger market capitalization or market averages in general.

*Investment Concentration* - At times, a substantial portion of a portfolio's assets may be concentrated in the securities of a limited number of issuers. Investing a significant portion of a portfolio's assets in a limited number of issuers or industries makes the portfolio significantly more susceptible to risks affecting investments in such issuers or industries. Such concentration of investments may increase the volatility of the portfolio's investments.

*Equity Risk* - Equity risk is the risk that the value of securities will fall due to general market or economic conditions, perceptions regarding the industries in which the issuers of securities participate, and the particular circumstances and performance of particular companies. Equity securities and derivatives linked to equity markets ("equity securities") have historically experienced volatility in returns. The prices of equity securities fluctuate for many reasons, including changes in investors' perceptions of the financial condition of an issuer or the general condition of the relevant stock market, or when political or economic events affecting the issuers occur. However, actual or perceived adverse developments in one or more of these areas could cause a substantial decline in the value of equity securities.

*Fixed-Income Securities* - Fixed-income securities are subject to interest rate risk, market risk, and credit risk. Interest rate risk relates to changes in a security's value as a result of changes in market interest rates. Even though such instruments may promise a stable stream of income, the prices of such securities are inversely affected by changes in interest rates and therefore are subject to the risk of market price fluctuations. Market risk relates to the changes in the risk or perceived risk of an issuer, country, or region. Credit risk relates to the ability of the issuer to make payments of principal and interest. The values of fixed-income securities may be affected by changes in the credit rating or financial condition of the issuing entities. The debt securities a Client portfolio may hold are not necessarily required to satisfy any minimum credit rating standard and may include instruments that are considered to be of relatively poor standing and have predominantly speculative characteristics with respect to capacity to pay interest and repay principal, or be below investment grade, including high-risk instruments that are low rated or unrated.

*Exchange-Traded Funds* - The risks of owning an exchange-traded fund ("ETF") generally reflect the risks of owning the underlying securities they are designed to track, although lack of

liquidity in an ETF could result in its share price being more volatile. ETFs can trade at discounts or premiums to the NAV of their underlying investments, which could cause a portfolio to experience an unanticipated loss. As a shareholder of an ETF, a portfolio would bear its pro rata portion of the ETF's expenses, including advisory fees. These expenses would be in addition to the fees and other expenses that a portfolio bears directly in connection with its own operations. Measure 8 may also invest in exchange-traded notes ("ETNs"), ETFs traded in foreign markets, and other instruments with similar characteristics and risks.

*Long/Short Strategy* - The success of Measure 8's long/short investment strategy depends upon its ability to identify and purchase securities that are undervalued and identify and sell short securities that are overvalued or that Measure 8 believes are suitable for hedging its investment positions. The identification of investment opportunities in the implementation of Measure 8's long/short investment strategies is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. In the event that the perceived opportunities underlying a Client's positions were to fail to converge toward or were to diverge further from values expected by Measure 8, the Client may incur a loss. In the event of market disruptions, significant losses can be incurred which may force Measure 8 to close out one or more of a Client's positions. Furthermore, the valuation models used to determine whether a position presents an attractive opportunity consistent with Measure 8's long/short strategies may become outdated and inaccurate as market conditions change.

*Short Sales* - Clients may enter into transactions, known as "short sales," in which it sells a security it does not own in anticipation of a decline in the market value of the security. Short sales by the Funds that are not made "against the box" theoretically involve unlimited loss potential since the market price of securities sold short may continuously increase. Under adverse market conditions, the Funds might have difficulty purchasing securities to meet its short sale delivery obligations and might have to sell portfolio securities to raise the capital necessary to meet its short sale obligations at a time when fundamental investment considerations would not favor such sales.

*Derivatives* - Derivative instruments, or "derivatives," include futures, options, swaps, structured securities and other instruments and contracts that are derived from, or the value of which is related to, one or more underlying securities, financial benchmarks, currencies or indices. Derivatives allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark currency or index at a fraction of the cost of investing in the underlying asset. The value of a derivative depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to derivatives of such asset. However, there are a number of other risks associated with derivatives trading. For example, because many derivatives are "leveraged," and thus provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement can not only result in the loss of the entire investment, but may also expose the Fund to the possibility of a loss exceeding the original amount invested.

*Foreign Securities* - Investments in foreign securities involve certain factors not typically associated with investing in U.S. securities, such as risks relating to (i) currency exchange

matters, including fluctuations in the rate of exchange between the U.S. dollar (the currency in which the books of the Funds are maintained) and the various foreign currencies in which the Funds' portfolio securities will be denominated and costs associated with conversion of investment Principal and income from one currency into another;

(ii) differences between the U.S. and foreign securities markets, including the absence of uniform accounting, auditing and financial reporting standards and practices and disclosure requirements, and less government supervision and regulation; (iii) political, social or economic instability; (iv) imposition of foreign income, withholding or other taxes; and (v) the extension of credit, especially in the case of sovereign debt. Measure 8 may attempt to hedge non-USD denominated securities.

*Foreign Currency Exposure and Currency Hedging Risks* - While Measure 8 Client portfolios are denominated in U.S. Dollars, some of the underlying investments of a Client portfolio may be denominated in other currencies. In such circumstances, the portfolio is subject to the risk that the value of a particular currency in which an investment is denominated will change in relation to the U.S. Dollar. The weakening of such a currency relative to the U.S. Dollar will negatively affect the dollar value of a portfolio's assets. A portfolio may even realize a net loss on an investment, even if there were a gain on the underlying instrument before currency losses were considered. Measure 8 may try to hedge these risks by entering into foreign exchange swaps, foreign exchange forwards or other similar currency hedging transactions. There can be no assurance that such transactions will be implemented or that financial instruments suitable for such hedging will be available at the time when Measure 8 wishes to use them. In addition, there can be no assurance that such hedging strategies will be effective.

*Leverage* - Subject to applicable margin and other limitations, Clients may borrow funds in order to make additional investments and thereby increase both the possibility of gain and risk of loss. Consequently, the effect of fluctuations in the market value of Clients' portfolio would be amplified. Interest on borrowings will be a portfolio expense of the Clients' accounts and will affect the operating results of the portfolio (and thus Clients' accounts). Also, a Client could potentially create leverage via the use of instruments such as options and other derivative instruments.

*Default and Credit Risks* - Clients' credit investments involve the risk that the obligor either cannot or will not fulfill its obligations. In evaluating credit risk, Measure 8 will generally attempt to reach conclusions regarding the obligor's assets, liabilities, income and prospects, its management, the priority of the Client's claims against the obligor, the value of any collateral, the process for enforcing rights and realizing value from collateral and many other factors, each of which is likely to involve numerous assumptions and uncertainties. In addition, Measure 8 will often be dependent upon information provided by the obligor, which may be materially inaccurate or fraudulent. As a result, there is no assurance that Measure 8 will correctly evaluate the credit risks associated with its investments. Any actual default, or any circumstance that increases the possibility of a default, could have a material adverse effect on the Funds.

*Illiquid Investments* - Securities and other assets may be subject to legal or other restrictions on transfer or for which no liquid market exists. The market prices, if any, for such investments tend

to be volatile and may not be readily ascertainable, and a Client may not be able to sell them when it desires to do so or to realize what it perceives to be their fair value in the event of a sale.

*Counterparty Risk* - Transactions may be affected in “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 Clients 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 Clients to suffer a loss.

*Portfolio Turnover* - Measure 8 will actively manage its Client portfolios. Accordingly, a Client’s portfolio turnover rate and its brokerage commissions, fees, and other transaction costs may be higher than that of many other funds. Active strategies are based on models which combine fundamental analysis and quantitative techniques. Buy and sell decisions are based on the rigorous implementation of the models’ recommended allocations. Individual portfolios are adjusted for the Client’s return objective, risk tolerance and investment guidelines. Active strategies may involve frequent trading, which may affect investment performance, through increased brokerage and other transaction costs and taxes.

*Cybersecurity* - Intentional cybersecurity breaches include: unauthorized access to systems, networks, or devices (such as through “hacking” activity); infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. In addition, unintentional incidents can occur, such as the inadvertent release of confidential information (possibly resulting in the violation of applicable privacy laws). A cybersecurity breach could result in the loss or theft of customer data or funds, the inability to access electronic systems (“denial of services”), loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or costs associated with system repairs. Such incidents could cause Measure 8 or a service provider to incur regulatory penalties, reputational damage, additional compliance costs, or financial loss. In addition, such incidents could affect issuers in which Measure 8 invests a portfolio, and thereby causes the portfolio’s investments to lose value. Measure 8 has adopted information security, incident response, backup, and disaster recovery procedures intended to prevent or mitigate damage if an intentional or unintentional breach occurs. However, such procedures could fail or be insufficient to avoid, mitigate or successfully address the breach.

*Covid-19 Pandemic* - In response to the spread of COVID-19, many businesses, including Measure 8, have encouraged, or mandated that their personnel work from home in an effort to help slow the spread of the coronavirus pandemic. Notwithstanding such precautionary measures, Measure 8 may still experience a significant increase in illness of their respective personnel. Work-at-home arrangements could also lead to employee fatigue, reduced collaboration and less optimal communication and supervision relative to traditional office structures which could severely impair our and/or such service providers' operational capabilities, potentially having a detrimental impact on our business and operations. To the extent personnel, as a result of working remotely, rely more heavily on external sources for information and technology systems for their business-related communications and information

sharing, that business will likely be more vulnerable to cybersecurity incidents and cyberattacks and could have more difficulty resuming normal operations in the event it is the target of such incident or attack.

Investors should review the Fund's Governing Documents to understand the risks and potential conflicts of interest. The disclosures in this document are not intended to serve as an exhaustive list or a comprehensive description of all risks and conflicts that may arise in connection with the management and operation of the Funds.

## **Item 9. Disciplinary Information**

Measure 8 and the members of Measure 8 Management have not been involved in any legal or disciplinary events that would be material to an investor's evaluation of Measure 8 or its personnel.

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

### *Registered Broker-Dealers*

Josh Hamilton is a registered representative of broker-dealer CRITO Capital.

### *Registered Futures Commission Merchants, Commodity Pool Operators and Commodity Trading Advisors*

No one at Measure 8 is registered as a registered futures commission merchant, commodity pool operator or commodity trading advisor.

### *Selection or Recommendation of Other Advisers*

Measure 8 does not recommend or select other investment advisers or receive compensation from such advisers in a manner that would create a material conflict of interest. Measure 8 does not have other business relationships with other advisers that create a material conflict of interest.

### *Relationships with Related Persons*

The general partners of the Funds and Measure 8 are under common control.

### *Private Investments of Principals and Certain Funds Managed by Measure 8*

As mentioned in Item 5, Mr. Jordan and Peter Clateman (Chief Compliance Officer, “CCO”), members of Measure 8, each serve in executive capacities with Curaleaf. Mr. Jordan is the controlling shareholder of Curaleaf and serves as the Chairman of its Board of Directors. VC Funds has a minority stake in Curaleaf of approximately 3% and Full Spectrum holds approximately 0.04%. Measure 8 recognizes that Mr. Jordan’s holding in Curaleaf may create a conflict of interest with respect to VC Funds’s and Full Spectrum’s holding in Curaleaf. To mitigate this conflict of interest, VC Funds and Full Spectrum will have the opportunity to participate on equivalent terms in any transaction in which Mr. Jordan substantially decreases his stake in Curaleaf.

Furthermore, Measure 8 recognizes that, as a result of Mr. Jordan’s substantial shareholding in Curaleaf, the participation of Mr. Jordan and other members of the Measure 8 team in fulfilling executive functions at Curaleaf and otherwise providing services to Curaleaf, Measure 8 runs an increased risk of being in possession of material non-public information regarding Curaleaf. Therefore, Measure 8 has decided that it shall not actively trade in securities of Curaleaf on

behalf of Clients. The holdings of VC Funds and Full Spectrum in Curaleaf shall be held and only disposed of at such time as the risk of Measure 8 being in possession of material non-public information regarding Curaleaf as a result of such relations with Curaleaf is substantially reduced and also in compliance with all public disclosure requirements.

Measure 8 advises Closed-End Funds that invest primarily in private companies. Portfolio companies of the Closed-End Funds may eventually become public companies and, therefore, their securities may fall within the investment program of other Clients advised by Measure 8, including the Open-End Fund. The investment by a Closed-End Fund in such a company may restrict the ability of other Clients of Measure 8 to invest in the securities of such a company and, if such Client does invest, to divest of its holding at times it would otherwise choose.

In addition to his role with Measure 8 and Curaleaf, Mr. Jordan is one of the founders and major ultimate beneficial owners of The SPK Group, an international investment and advisory firm with investments in health care, insurance and other sectors.

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

As an SEC registered investment adviser and to avoid potential conflicts of interest involving personal trading by its employees, Measure 8 has adopted and implemented a written Code of Ethics (“Code”) under Rule 204A-1 of Advisers Act that is applicable to all employees. Measure 8’s Code describes its fiduciary duties and responsibilities to its Clients and sets forth Measure 8’s (i) policies on receipt of gifts by employees and campaign contributions and (ii) practices of reporting and monitoring the personal securities transactions of employees with access to Client investment recommendations. Under Measure 8’s Code, all employees have a duty to act only in the best interests of its Clients and all potential conflicts and violations of the Code must be promptly reported to the CCO. All employees must acknowledge their receipt and understanding of the terms of the Code annually, or as amended.

### *Code of Ethics*

Subject to the requirements of the Code, Measure 8 and its Principals, employees or affiliates, either directly or through investment vehicles, often invest in certain of the Funds. However, such investments are not considered in Measure 8’s management of those Funds, and the Funds are treated without preference in relation to Measure 8’s other Clients. In addition, Measure 8 and its principals, employees and affiliates, either directly or through investment vehicles, often invest on a joint and side-by-side basis with its Clients in private transactions that are typically entered into directly with the issuer of the securities being purchased.

Conflicts of interest may arise when Measure 8 or its employees invest on their own behalf in the same securities that Measure 8 recommends to Clients, or have another interest in a transaction that is, or may be, in conflict with the interest of a Client. Measure 8 generally does not buy securities from, or sell securities to, investment advisory Clients. However, from time to time, Measure 8 or its principals or employees may purchase, hold or sell securities that are recommended to Clients. In particular, this may be the case where Measure 8 or its principals or employees invest in a private equity vehicle managed by Measure 8 or its affiliates and receive a distribution of securities from such a vehicle. However, to address these conflicts, Measure 8 maintains specified procedures for managing or obtaining client consent for conflicts of interests, including obtaining consent for any conflict from an advisory committees comprised of investor representatives that are given the power to waive such conflicts after disclosure of material information related to the conflict.

In addition to the procedures described above, Measure 8 has established internal procedures to identify and manage such conflicts. Pursuant to its Code, each employee is required to submit to the CCO a report of the employee’s securities holdings on an annual basis, as well as a report of any personal securities transactions on a quarterly basis. In addition to these reports, employees have an obligation to report any personal conflict of interest to the CCO as such conflict becomes known. Employees must obtain the CCO’s prior approval before buying or selling any covered security, including, but not limited to, stocks, bonds, puts, calls, options, and partnership or

limited liability interests. In addition, employees are prohibited from purchasing securities issued in an initial public offering or in a private placement of securities (including an investment in Curaleaf), without obtaining pre-approval in writing from the CCO.

The CCO monitors all transactions by employees in order to identify any pattern of conduct that may evidence conflicts or potential conflicts with the principles and objectives of the Code, or other inappropriate behavior.

### *Policy Statement on Insider Trading*

Measure 8 and/or its employees may, from time to time, come into possession of material non-public (“MNPI”) or other confidential information which, if disclosed, might affect an investor’s decision to buy, sell, or hold a security. Under applicable law, Measure 8 and its employees may be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any other third party. Accordingly, should Measure 8 and/or its employees come into MNPI or other confidential information with respect to any company, they may be prohibited from communicating such information to, or using such information for the benefit of, Measure 8’s Clients and their underlying investors. To address instances where Measure 8 may be in possession of MNPI, the Company has adopted certain policies and procedures and the Policy Statement on Insider Trading (“Insider Trading Policy”) in accordance with Section 204A under the Advisers Act, which establishes procedures to prevent the misuse of material non-public information by Measure 8 and its employees. These procedures require employees to report the receipt of any such information to the CCO or his designee. They also include the establishment of a restricted list, where securities are placed on the restricted list upon receipt of MNPI by Measure 8, its employees or affiliates. Employees are strictly prohibited from trading in securities (including, without limitation, equity, debt or options) on the restricted list for their own account. One restricted list is maintained within the Company. Therefore, the receipt of MNPI with respect to the private side Clients (i.e. Closed-End Funds) will also restrict the public side Clients (i.e. Open-End Fund), and vice-versa, and may adversely impact each Client’s investments.

Some or all of the Principals and employees may be involved with entities utilizing investment strategies similar to those of a Fund and with other business in general. Measure 8 may cause a Fund to invest in securities in which some or all of the Principals or employees have a financial interest, or to engage in transactions with brokers or others with whom some or all of the Principals or employees have financial or other relationships. In the event a Fund intends to engage in any such transaction an Independent Client Representative may be appointed to give or withhold the consent of the Fund to such transactions.

A copy of Measure 8’s Code of Ethics is available upon request by contacting the Company at 646-755- 7400 or Miraziz Khidoyatov ([miraziz@m8vp.com](mailto:miraziz@m8vp.com)).

## Item 12. Brokerage Practices

### *Best Execution Considerations*

Subject to the investment objectives, policies and restrictions of the Funds as set forth in the Funds' Governing Documents, Measure 8 has discretionary authority to determine the type, amount, and price of securities and investments to be bought and sold on behalf of each Fund, including the selection of, and commissions paid to, brokers. Measure 8 considers a variety of factors in its selection of trading counterparties.

Measure 8 seeks to trade with reputable counterparties. In addition to trading costs and listed prices, the Company periodically and systematically evaluates approved counterparties based on factors such as:

- The ability to execute large or difficult transactions;
- The brokers' or dealers' facilities;
- The ability to execute quickly when necessary;
- The ability to work orders when necessary;
- The ability to obtain locates for short sales;
- Efficiency of execution and error resolution;
- Willingness to execute related or unrelated difficult transactions in the future;
- Custody, recordkeeping and similar services
- The protection of Measure 8's proprietary trading information;
- Financial responsibility, regulation, and integrity;
- The frequency of trade errors; and
- The responsiveness to Measure 8 during trading and settlement.

### *Best Execution Review*

Periodically, Measure 8's trading personnel will meet to evaluate systematically the execution performance of its brokers. The review of brokers will consist of various factors, including, as applicable, the factors set forth below, and other factors that the reviewers think necessary for the Company to make a reasonable decision about its best execution determinations:

- average commission rate charged by each broker;
- the services provided by the broker other than execution (i.e., research or brokerage services and products used in the management of Client accounts);
- the value of research provided by each broker;
- whether the execution and other services provided by the broker were satisfactory (taking into account such factors as the speed of execution, the certainty of execution, and the ability to handle large orders or orders requiring special handling);
- reason for using that broker (i.e., research, execution only, etc.);

- unusual trends (such as higher than usual commission rates or a large volume of business directed to an unknown broker); and
- potential conflicts of interest (such as directing brokerage to a broker who makes client referrals to Measure 8).

### *The Receipt of Research and Other Soft Dollar Benefits*

Measure 8 may use “soft dollars” for research and brokerage services that provide lawful and appropriate assistance to the Company in carrying out its investment decision-making responsibilities, as permitted under the safe harbor of Section 28(e) of the Securities and Exchange Act of 1934 (the “Exchange Act”). The CCO will determine whether the service may be paid with soft dollars. The CCO will consult with the head trader regarding the capabilities of relevant brokers. A number of criteria are to be considered in approving soft dollar allocations, including the broker-dealer's business reputation and financial position and its ability to consistently execute orders professionally and on a cost effective basis, provide prompt and accurate execution reports, prepare timely and accurate confirms, deliver securities or cash proceeds promptly and provide meaningful research services that are useful to Measure 8 in investment decision-making or other desired and appropriate services.

Measure 8 receives products and services available from brokers include both internally generated items (such as research reports prepared by employees of the broker) as well as items acquired by the broker from third parties (such as quotation services), and this research may be a factor in the allocation of brokerage. Measure 8 benefits from the research and services that it receives because the Company does not need to pay for or generate the research internally, and this benefit could incentivize Measure 8 to select a counterparty based on its interest in receiving research rather than investor's interests in receiving the most favorable execution available.

Measure 8 may cause a higher commission to be paid to a broker or dealer that furnishes research, services than might be charged by another broker or dealer for effecting the same transaction, provided that Measure 8 determines in good faith that the amount of commissions charged is reasonable in relation to the value of the brokerage and research or investment management-related services provided by such broker or dealer. Measure 8 does not necessarily solicit competitive bids and does not have an obligation to seek the lowest available commission cost.

Measure 8 will only use soft dollars to obtain products and services that fall within the safe harbor under Section 28(e) of the Securities Exchange Act of 1934, as amended, for the use of commissions or “soft dollars” to obtain “research and execution” services.

Measure 8 may use soft dollars to pay for a portion of “mixed use” items (products or services that include both safe harbor eligible research/brokerage elements and non-safe harbor eligible research/brokerage elements). When Measure 8 acquires a particular product or service, it generally uses available soft dollar credits to pay for the portion of the product or service deemed to fall within the safe harbor and uses hard dollars to pay for the portion of the product or service that falls outside of the safe harbor. Although the allocation between soft dollars and cash is not always capable of precise calculation, Measure 8 will make a good faith effort to allocate the cost of mixed-use items among soft and hard dollars reasonably. The determination as to the

percentage of the cost of particular products and services that Measure 8 will pay with soft dollars versus hard dollars does not involve a conflict of interest that would traditionally exist because Clients otherwise would incur hard dollar costs and expenses associated with brokerage and research-related products and services. As such, Measure 8 does not have an incentive to inflate the percentage of the cost of a particular product or service that it believes falls under the category of “safe harbor eligible.”

The generation and use of soft dollars to acquire brokerage and research-related products and services benefits Measure 8 by allowing Measure 8, at no cost to it, to supplement its own research and analysis activities, to receive the views and information of individuals and research staff of other securities firms, and to gain access to persons having special expertise on certain companies, industries, areas of the economy, and market factors.

Measure 8 may have an incentive to select or recommend a broker-dealer based on its interest in receiving the research or other products or services, rather than on its Clients’ interest in receiving most favorable execution. However, as mentioned above, the acquisition of products and services using soft dollars versus hard dollars does not involve a conflict of interest that would traditionally exist because the private funds otherwise would incur hard dollar costs and expenses associated with brokerage and research-related products and services. Measure 8 uses soft dollars to benefit all Clients and does not allocate benefits to Clients based on the soft dollar credits those accounts generate.

#### *Trade Aggregation and Allocation*

Trading activities of Client accounts will overlap. While Client accounts invest in the same issuers, the purchase and sale of such investments may be at different times and upon different terms, based on each Client’s overall investment objectives and strategy, legal or regulatory concerns, and/or other relevant considerations.

When Measure 8 purchases or sells securities of the same issuer at the same time for more than one Client, Measure 8 may submit an aggregated trade for execution if Measure 8 believes that the use of an aggregated trade reasonably furthers its efforts to seek best execution. Participants in aggregated trades receive the average execution price and incur their pro rata share of the trading costs.

To the extent that partial fills occur, Measure 8 will allocate the results of the partially completed trade pro-rata between participating Clients based on the initial allocation instructions submitted for execution and subject to rounding to achieve round lots. Impacted accounts receive the average execution price and incur their pro rata share of the trading costs with respect to the partially completed trade.

Measure 8 may allocate on a basis other than pro rata, if under the circumstances, such other method of allocation is reasonable, does not result in improper or undisclosed advantage or disadvantage to other accounts, and results in fair access over time to trading opportunities for all eligible managed accounts. For example, Measure 8 may identify investment opportunities that are more appropriate for certain accounts than others, based on such factors as investment

objectives, style, risk/return parameters, regulatory and Client restrictions, tax status, account size, sensitivity to turnover, available cash and cash flows. Consequently, Measure 8 may decide it is more appropriate to place a given security in one account rather than another account. Other non-pro rata methods include rotation allocation and random allocation. Alternative methods of allocation are appropriate, for example, when the transaction size is too limited to be effectively allocated pro rata among all eligible accounts. In no event will Measure 8 favor its proprietary account(s) over Client accounts in the aggregation and allocation process.

Measure 8 may sell or recommend the sale of a particular security for certain accounts, including accounts in which it has an interest, and it or others may buy or recommend the purchase of such security for other accounts, including accounts in which it has an interest, and, thus, transactions in particular accounts may not be consistent with transactions in other accounts or with the Investment Manager's investment recommendations. For example, Measure 8 may recommend that a Fund sell a security, while not recommending such sale for other Clients in order to enable the Fund to have sufficient liquidity to honor investors' withdrawal requests. When there is a limited supply of investments, the Company will use its reasonable efforts to allocate or rotate investment opportunities, but it cannot assure absolute equality among all of its accounts and clients. Measure 8 will, however, seek to ensure that all such potential conflicts of interests are resolved fairly and in the best interests of the Clients involved.

#### *"New Issues"*

Measure 8 allocates new issues of equity securities registered under the Securities Act ("new issues") in accordance with FINRA Rules 5130 and 5131. This may in certain circumstances limit or restrict particular Clients or investors from participating in any profits and losses from new issues.

#### *Principal Trades*

Measure 8 does not anticipate engaging in principal transactions. Principal transactions are governed by Section 206(3) and involve securities transactions in which the adviser has a proprietary interest in the securities being traded. In the event that Measure 8 deemed it appropriate in furtherance of the investment program of any client, it would comply fully with Section 206(3) with respect to such transaction.

#### *Cross Trades*

Measure 8 from time to time may engage in agency cross in which it causes a Client account to purchase securities or other instruments from, or sell securities or other instruments to, another Client account managed by Measure 8 for purposes of portfolio rebalancing or for other reasons as may arise from time to time. The Company will not take brokerage commissions or otherwise be compensated for effecting these cross-trades. Measure 8 intends that cross-trades will, to the best of the Company's ability, reflect the market value of the security or other instrument being purchased or sold, and Measure 8 will always seek best execution. Prior to effecting any cross-trade, Measure 8 will make a good faith determination that the transaction is in the best interests of the applicable Client.

### *Trade Errors*

While Measure 8 takes the utmost care in making and implementing investment decisions on behalf of Clients, it may make an error while placing a trade for Clients. Measure 8 will also use its best efforts to assure that orders are entered correctly. However, to the extent that an error occurs, it is to be corrected as soon as practical and reported to the CCO and in accordance with Client's Governing Documents.

Broker dealers may not be permitted to assume responsibility for trading error losses caused by the Adviser, nor may there be reciprocal arrangements with respect to the trade in question or other trade(s) to encourage the broker to assume responsibility for such losses. In cases where the error is attributable to the broker or other third party, adequate records of the trade and its correction must be maintained together with an indication in such records of the reason for such correction, e.g., "broker error."

## Item 13. Review of Accounts

### *Review of Client Accounts*

Client accounts are reviewed on a daily basis by Measure 8's Investment Team, analysts and trading staff. In addition, each Client account will be reviewed on a periodic basis by the CCO, with the assistance of portfolio managers, if necessary, to determine whether the account is being managed in a manner that is consistent with the Client's investment objectives, guidelines and/or restrictions, as communicated to Measure 8. Additionally, the Funds are reviewed annually to assure conformity with the objectives and guidelines of Funds' Governing Documents.

Additional or focused reviews can be triggered by factors such as political and economic developments, corporate announcements, and changes in market conditions.

### *Reports to Clients*

Measure 8 provides quarterly reports to investors in its closed-end strategies and will send monthly reports to investors in its open-end strategies, including managed account. Such reports include performance estimates, portfolio exposure and positioning as well as macroeconomic developments and analysis reports. Through side letters and other arrangements, certain investors or Clients of Measure 8 can be provided additional reports and estimates. On an annual basis, investors will also receive K-1 tax statements (if necessary) and the Funds' audited financial statements.

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

From time to time, Measure 8 may compensate one or more placement agents for referrals of Fund investors. A prospective investor solicited by a placement agent or other third party will be advised of any such arrangement prior to the time of the referral.

Measure 8 will, from time to time, maintain various arrangements under which certain persons and entities may be compensated, directly or indirectly, for referring clients. Arrangements may be entered into with independent third parties, including banks, brokerages and other types of financial institutions. The amount of the compensation paid for the referrals varies and may include either fixed or annual fees or may depend upon the total amount of the assets referred and ultimately managed by Measure 8. Clients are advised of the nature of these arrangements prior to the time of the referral.

## **Item 15. Custody**

### **Funds**

All Client assets are held in custody by unaffiliated broker dealers or banks. However, Measure 8 is deemed to have custody of Funds assets because of its authority over Funds assets as general partner.

To comply with Rule 206(4)-2 under the Advisers Act (the “Custody Rule”), Measure 8 will cause each Fund with assets over which Measure 8 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 120 days after the end of each fiscal year. In addition, upon the final liquidation of a Fund, Measure 8 will obtain a final audit and distribute audited financial statements prepared in accordance with GAAP.

### **SMAs**

Measure 8 does not maintain custody of SMAs.

## **Item 16. Investment Discretion**

Measure 8 has full discretion to manage Clients' accounts subject to the investment objectives, policies, and restrictions of the Funds as set forth in each Client's respective Governing Documents. The only exception to this statement is Phoenix Growth, LLC, in which Measure 8 does not have authority to make investment decisions.

Measure 8 is authorized to make the following determinations in accordance with a Client's specified investment objectives without the Client or investor consultation or consent before a transaction is effected (unless consultation is required with respect to principal trades, which Measure 8 does not intend to employ as part of its standard investment strategy):

- the securities to buy or sell;
- the total quantity/amount of securities to buy or sell;
- the broker or dealer through whom securities are bought or sold;
- the commission rates at which securities transactions are effected; and
- the prices at which securities are to be bought or sold, which may include dealer spreads, mark- ups/mark- downs, and transaction costs.

Measure 8 has investment discretion over Client accounts (except for Phoenix Growth, LLC), including the amount and price of securities bought and sold, the preferred broker-dealer, and the commission rate. Investors in the Funds cannot place restrictions on Measure 8's investment discretion, however, Measure 8 may enter into side letter agreements with certain investors granting, among other things, requested restrictions and allocations of co-investment opportunities. SMA clients may place certain restrictions or limitations as detailed in their investment management agreement with Measure 8.

## Item 17. Voting Client Securities

Measure 8 generally has discretion to vote proxies and will do so in the best interest of its clients and in accordance with its written policies and procedures. In compliance with Rule 206(4)-6 under Measure 8's Act, Measure 8 has adopted proxy voting policies and procedures. The general policy is to vote proxy proposals, amendments, consents or resolutions (collectively, "Proxies") in a prudent and diligent manner that will serve the applicable client's best interest and is in line with each client's investment objectives.

Measure 8 may take into account all relevant factors, as determined by Measure 8 in its discretion, including, without limitation: (i) the impact on the value of the securities or instruments owned by the relevant client and the returns on those securities; (ii) the anticipated associated costs and benefits; (iii) the continued or increased availability of portfolio information; and (iv) industry and business practices.

Conflicts of interest may arise between the interests of the clients, on the one hand, and Measure 8 or its affiliates, on the other hand. If Measure 8 determines that it may have, or is perceived to have, a conflict of interest when voting Proxies, Measure 8 will vote in accordance with its Proxy voting policies and procedures.

In limited circumstances, Measure 8 may refrain from voting Proxies where Measure 8 believes that voting would be inappropriate, taking into consideration the cost of voting the Proxies and the anticipated benefit to its clients. Measure 8 will determine on a case-by-case basis whether to vote proxies unless directed to do otherwise by the Client. If Measure 8 determines that it is in its Clients' best interests to abstain from voting a proxy, it will document its rationale and maintain pursuant to its proxy voting recordkeeping obligations as described below.

Current and prospective Clients or investors may request a copy of Measure 8's written proxy voting policies and procedures, and current investors may request information about how the Company voted their respective securities, by contacting the Company at 646-755-7400.

### Class Actions:

Measure 8 is authorized to direct the Funds participation in class actions. Measure 8 will determine whether the Fund will (a) participate in a recovery achieved through class actions, or (b) opt out of the class action and separately pursue their own remedy. Measure 8 generally does not serve as the lead plaintiff in class actions because the costs of such participation typically exceed any extra benefits that accrue to lead plaintiffs.

## **Item 18. Financial Information**

Measure 8 has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage Client accounts.