



## Part 2A of Form ADV: Firm Brochure

March 2023



This brochure provides information about the qualifications and business practices of TriSpan (USA) LLC, its relying adviser TriSpan LLP and certain of their affiliates. If you have any questions about the contents of this brochure, please contact us at [David.Allan@trispallp.com](mailto:David.Allan@trispallp.com) or (646) 586-2194. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

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

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## **Item 2. Material Changes**

Since the last annual amendment of Part 2A of Form ADV: Firm Brochure (the “Brochure”) in March 2022, there have been no material changes to the Brochure of TriSpan (USA) LLC.

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## Item 4. Advisory Business

TriSpan (USA) LLC (“TSUSA”) is an investment adviser organized as a Delaware limited liability company that was formed on February 12, 2016. TriSpan LLP (“TSUK”), a relying adviser, is an investment adviser organized as a limited liability partnership in the United Kingdom that was formed on 3rd March 2015. TSUSA and TSUK (collectively, the “Adviser”) provide investment advisory services, either directly or through co- and sub-advisory arrangements to various investment vehicles sponsored by the Adviser or its affiliates (each an “Advisory Client”)<sup>1</sup>. TSUSA’s principal place of business is in New York and TSUK’s principal place of business is in London. Each of TSUSA and TSUK are ultimately subsidiaries of TriSpan Holding Ltd., a relying adviser and non-cellular company incorporated under the laws of the Island of Guernsey with its registered office and principal place of business at 1 Royal Plaza, 1 Royal Avenue, St Peter Port, Guernsey, GY1 2HL, Channel Islands.

The Adviser and its related entities (collectively, the “TriSpan Group”) are an independent and management-controlled investment management group focused on private equity founded by Fady Michel Abouchalache and Elan A. Schultz (the “Founding Partners”). The Founding Partners are the principal owners of the Adviser. The TriSpan Group was established with the backing of ten leading families and industrial groups organized into six shareholder groups who provide funding to the group operations and anchor capital to its investment programs. Prior to founding the TriSpan Group, Mr. Abouchalache and Mr. Schultz worked together for more than a decade at Quilvest, respectively as the CEO of Quilvest Private Equity and subsequently CEO of the Quilvest Group and as the Co-Head of Quilvest Private Equity.

For each of the investment programs TriSpan Group has assembled highly experienced and dedicated teams. Private equity partners, with extensive industry-related track records across multiple geographic regions, investment strategies and sectors, located across London and New York complement the Founding Partners.

The Adviser’s team focuses on opportunistic private equity investments in growth businesses headquartered in North America and Europe. TriSpan Group aims to provide strong returns coupled with low volatility across varying market cycles. The Adviser then provides discretionary advice to investment vehicles (the “PE Funds”), which consists of investigating, identifying and evaluating investment opportunities, structuring, negotiating and making investments on behalf of the PE Funds, managing and monitoring the performance of such investments and disposing of such investments. The Adviser may serve as the investment adviser or general partner to the PE Funds in order to provide such services. The PE Funds make primarily long-term private equity and equity-related investments and may also make debt or debt-related investments from time to time.

The PE Funds are exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”), the offer and sale of each PE Fund’s securities are exempt from registration under the Securities Act of 1933, as amended (the “Securities Act”). The Adviser provides investment supervisory services to each PE Fund in accordance with the limited partnership agreement (or analogous organizational document) of such PE Fund or separate investment and advisory, investment management or portfolio management agreements (each, an “Advisory Agreement”). Investment advice is provided directly to the PE Funds, subject to the discretion and control of the general partner or managing member of each such PE Fund, if applicable, and not individually tailored to the investors in the PE Funds.

Services are provided to the PE Funds in accordance with the Advisory Agreements with the PE Funds and/or organizational documents of the applicable PE Fund. Investment restrictions for the PE Funds, if any, are generally established in the organizational or offering documents of the applicable Fund.

As of December 31, 2022, the Adviser had an estimated \$533,900,000 in regulatory assets under management, all managed on a discretionary basis. This amount is estimated based on the PE Fund valuations available as of such date.

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<sup>1</sup> “Advisory Client” or “PE Fund” means any account or fund for which the Adviser directly or indirectly provides investment advice. Those who invest in Advisory Clients are generally referred to herein as “investors.” Unless otherwise expressly stated herein, the terms “Advisory Clients” or “PE Funds” do not include “investors.”

The Adviser does not manage assets on a non-discretionary basis.

**IMPORTANT ADDITIONAL CONSIDERATIONS:** The information provided in this Brochure summarizes the detailed information provided in each Fund's organizational and offering documents. Investors/clients who meet the qualifying requirements in any new PE Fund launched by TriSpan Group should be aware of the risks associated with PE Fund investments as well as the terms applicable to such investment. This and other detailed information is provided in each Fund's organizational and offering documents.

## Item 5. Fees & Compensation

Amounts received by a PE Fund from or relating to investments (“Investment Proceeds”) after reduction for expenses and reserves, are subject to distribution according to the PE Fund’s governing documents. Such distribution typically involves, among other elements, the distribution of a priority profit share or management fee (the “Management Fee”) to the PE Fund’s general partner or related entity and the distribution of certain amounts (the “Carried Interest”) to a member of the TriSpan Group.

The Management Fee with respect to a limited partner is typically between 1.25% and 2% per annum of such limited partner’s capital commitment during the investment period (typically the six years of a PE Fund’s operation or other time frame as set forth in the PE Fund’s governing documents). The Management Fee may be reduced by certain fees received by the PE Fund’s general partner, the Adviser or members of the TriSpan Group, as further described in the PE Fund’s governing documents. The Management Fee is generally paid out of income and gains of the PE Fund and, to the extent necessary, from drawdowns which would reduce undrawn capital commitments. The governing documents permit the Adviser to negotiate different fees with investors and it has done so via side letters.

The typical distribution structure for Investment Proceeds provides for distribution of Carried Interest after distributions for the Management Fee, the return of capital and costs and a certain preferred return for limited partners (e.g., an annual internal rate of return of a certain percentage in relation to amounts drawn from a limited partner and after accounting for prior distributions). The Carried Interest with respect to a limited partner is typically up to 20% of the aggregated distributions to such limited partner together with 20% of amounts remaining after all other required distributions. However, such percentage may vary as specified in the PE Fund’s governing documents. The Carried Interest may be subject to certain escrow and clawback provisions, as set forth in the PE Fund’s governing documents.

Generally, the interest of each limited partner who is a member, professional or other employee of a member of the TriSpan Group (an “Executive Investor”) is subject to the Carried Interest or to the payment of Management Fee.

The Management Fee is generally payable and deducted bi-annually (or at such other interval as specified in the PE Fund’s governing documents) in advance with respect to each limited partner. As further specified in the PE Fund’s governing documents, distributions of Carried Interest, if any, are generally only made once required distributions have been made to investors, and thereafter are generally made when cash is available therefor at the same time that distributions are made to fund investors.

A PE Fund client’s general partner and the Adviser have discretion, subject to the terms of the PE Fund’s governing documents, to allocate expenses among themselves, portfolio companies, other PE Fund clients and accounts they manage, third parties, investors in PE Fund clients in their individual capacities and the PE Fund client. The allocation of items allocable to more than one PE Fund or account are generally allocated based on size of the PE Fund (based on commitments or invested capital) or their respective investments in the position that generated the expense, as applicable.

Except for overhead expenses (such as remuneration, expenses paid to members or employees of the general partner, and the general partner’s rent and utilities) a PE Fund pays additional expenses as set forth in the PE Fund’s governing documents. A PE Fund typically pays its share of all expenses, direct or indirect, incurred in relation to the organization, operation, administration, and business of the PE Fund except in cases of a co-investment structure in which event a PE Fund will only pay its pro rata portion of such expenses. These include, without limitation, costs of printing and circulating reports and notices, research and reporting software, any broken deal expenses, legal and compliance fees and expenses, administrators’, auditors’ and valuers’ fees, accounting expenses (including any expenses associated with the preparation of the PE Fund’s financial statements and tax returns), fees and expenses incurred in relation to any custodian or nominee of the investments, establishment and ongoing fees and expenses of any conduit entity, external consultants’ fees, costs of press releases, bank charges, costs of annual meetings of PE Fund limited partners, insurance costs, borrowing costs, hedging costs, extraordinary expenses (such as litigation) and all stamp duties, entity-level taxes and taxes imposed on any subsidiary and fees and expenses arising in respect of identifying, evaluating, negotiating, acquiring, holding, monitoring, protecting and realizing investments (whether or not consummated).

As specified, and subject to the limits and conditions set forth, in its governing documents, a PE Fund may be eligible for reimbursement by the limited partners for expenses incurred in relation to or in connection with the establishment of the PE Fund and the offering of its interests, including but not limited to travel, legal, accountancy, printing, postage and other costs of establishment, including the preparation of, and negotiations with respect to, fund offering documents and other governing documents.

The Adviser or a related party will receive certain fees and payments from underlying portfolio companies. Without limitation, these may be referred to as monitoring fees, financial advisory fees or other similar fees. Subject to the specifications of the PE Fund's governing documents, such fees may or may not be subject to offset against the Management Fee or otherwise and may be retained in whole or in part by the Adviser or a related party.

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

As discussed in Item 5, certain related entities of the Adviser are generally entitled to receive a distribution of Carried Interest from a PE Fund based on investment gains after expenses and provisions for reserves and after other distributions are made to the general and limited partners, as specified in the PE Fund's governing documents. Typically, certain Adviser personnel, including certain officers and investment professionals, and the general partner hold interests in those related entities that ultimately entitle such holder to benefit from Carried Interest distributions.

Accordingly, this entitlement to Carried Interest with respect to a PE Fund may create an incentive for the Adviser or certain of its personnel or related parties to disproportionately allocate time, services or functions. Moreover, entitlement to Carried Interest with respect to certain PE Funds but not others, or a higher Carried Interest with respect to certain PE Funds relative to others, may create an incentive for the Adviser or certain of its personnel or related parties to favour those funds that pay a, or pay a higher, Carried Interest.

The Adviser is committed to satisfying its fiduciary obligations to its clients, the PE Funds. To this end, the Adviser has adopted policies and procedures to address the potential conflicts of interest discussed above. Such policies and procedures include, among others, (i) certain limitations on the ability of the Adviser to establish new investment funds i.e., there are minimum investment thresholds that need to be met in terms of invested or committed to investment capital before a new investment fund can be launched, (ii) provisions and procedures requiring certain PE Funds to purchase and sell investments at the same time; (iii) provisions and procedures setting forth investment allocation requirements, such that no client is systematically disadvantaged over time; and (iv) policies and procedures concerning adherence to client investment objectives, wherein it is noted that the Adviser is obligated, as a fiduciary, to recommend the purchase and sale of only investments that are consistent with a client's investment objectives.

Additionally, the Adviser periodically reviews the time and services being devoted to the PE Funds to ensure that the necessary resources are being allocated to each PE Fund. Please also see Item 11 below for additional information relating to how conflicts of interests are generally addressed by the Adviser.

## Item 7. Types of Clients

As discussed in more detail in Item 4, the Adviser's clients are PE Funds making equity and debt investments in issuers of varying sizes.

Interests in the PE Funds are offered pursuant to applicable exemptions from registration under the Securities Act and the 1940 Act. Investors in the PE Funds are generally "accredited investors" as defined in the regulations promulgated pursuant to the Securities Act, and "qualified purchasers" as defined in the 1940 Act, and may include, among others, high net worth individuals, banks, pension and profit sharing plans, trusts, estates, charitable organizations, university endowments, corporations, limited partnerships and limited liability companies or other entities.

Investment minimums, if any, for those investing in PE Funds advised by the Adviser are set forth in the relevant PE Fund's governing documents. Any such minimums may be waived as set forth in the governing documents or otherwise by the Adviser or its related entities in its absolute discretion.

This Brochure will be provided as required to current or prospective investors in a PE Fund, together with such PE Fund's private placement memorandum ("PPM"), organizational documents and other related documents (together with the PPM, the "Governing Documents"), prior to or in connection with such person's consideration or execution of an investment in such PE Fund, and may subsequently be provided in the Adviser's discretion or, annually, at the request of an investor in a PE Fund.

Investors and other recipients should be aware that while the Brochure may include information about the PE Funds, as necessary or appropriate, it should not be considered to represent a complete discussion of the features, risks or conflicts associated with any PE Fund. More complete information about each PE Fund is included in its Governing Documents, which may be provided to current and eligible prospective investors only by the Adviser or another authorized party.

In no event should this Brochure be considered to be an offer of interests in any PE Fund or relied upon in determining to invest.

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

The following is a summary of (i) the current strategies and methods of analysis that the Adviser uses in formulating advice or managing assets (and their material risks) for the PE Funds and (ii) certain material risks associated with the types of investments that the Adviser primarily recommends to the PE Funds.

Please note the information included in this Brochure does not include every potential risk associated with each investment strategy or offering. Investors and prospective investors in the PE Funds are urged to ask questions regarding risk factors applicable to a particular investment strategy or security, read all product-specific risk disclosures (for example, the Governing Documents of the PE Funds) and determine whether a particular strategy or type of security is suitable. Investing in securities issued by a PE Fund involves risk of loss that investors should be prepared to bear.

### **Methods of analysis and investment strategy Investment Strategy**

The PE Funds seek to achieve superior risk-adjusted returns through a structure that facilitates co-investments on a deal-by-deal basis selected from a broad and diverse pipeline, using a flexible approach across deal types and geographic regions.

Each PE Fund intends to promote co-investment by its limited partners on a deal-by-deal basis by keeping a portion of each investment in the PE Fund before syndicating the remaining portion to them as co-investment.

Currently the TriSpan Group has two investment platforms, TriSpan Rising Stars (“Rising Stars”) and TriSpan Opportunities (“Opportunities”).

Rising Stars is a dedicated restaurant private equity program investing most often as the first institutional round of capital in emerging brands that the Adviser believes are poised for significant growth.

The Opportunities platform is an industry agnostic lower middle market private equity program with dedicated and committed capital that is also specifically designed to offer sizable deal-by-deal co-investment opportunities to its investors. While the industry mandate is broad, the focus of the platform is centered around business services, multi-unit healthcare services, consumer and industrial.

### **Investment process**

In considering potential investment opportunities for its Advisory Clients the Adviser employs a number of analytical methods in an effort to achieve a thorough and in-depth assessment of the potential investment. Typically, these analyses focus on the (i) reputation of shareholders and management; (ii) company size and sensitivity of cash flow generation; (iii) operational, marketing, legal, tax, labor, environmental and accounting factors; (iv) business sector and competitive risks; (v) industry competition, both domestically and abroad; (vi) portfolio fit; (vii) exit alternatives; and (viii) other key factors highlighted by the investment team. Where appropriate, third-party consultants may be engaged to assess business and market conditions, competition, physical and environmental concerns, and other factors deemed to be relevant to the evaluation of the investment.

## General Risks

General Risks of Investing in a PE Fund. Any investment in a pooled investment vehicle carries certain market risks. An investment in the PE Fund is highly speculative and involves a high degree of risk due to the nature of the PE Fund's investments and the investment strategies and trading strategies to be employed. An investment in the PE Fund should not in itself be considered a balanced investment program. Investors should be able to withstand the loss of their entire investment.

All Investments Risk the Loss of Capital. No guarantee or representation is made that the PE Fund's investment program will be successful. The investment program will involve, without limitation, risks associated with possible limited diversification, leverage of portfolio investments, currency risks, credit deterioration or default risks, systems risks and other risks inherent in the PE Fund's activities. Certain investment techniques of the PE Fund can, in certain circumstances, magnify the impact of adverse market moves to which the PE Fund may be subject. In addition, the success of the PE Fund's use of financial instruments for hedging may be materially affected by conditions in the financial markets and overall economic conditions occurring globally and in particular countries or markets where the PE Fund may invest its assets.

The PE Fund's method of minimising such risks may not accurately predict future risk exposures. Risk management techniques are based in part on the observation of historical market behaviour, which may not predict market divergences that are larger than historical indicators. Also, information used to manage risks may not be accurate, complete or current, and such information may be misinterpreted.

Lack of Operating History. The PE Funds sponsored by the Adviser and its affiliates have no operating history upon which prospective investors can evaluate the anticipated performance of the PE Funds. The past performance of the members of the TriSpan Group, their affiliates or any previous investment vehicles managed by them may not be indicative of the future performance of a PE Fund.

Conflicts of Interest. Certain inherent conflicts of interest arise from the fact that the TriSpan Group will provide investment management services to a PE Fund and may, in the future, carry on investment activities for other funds or accounts. The respective investment programs of the PE Fund and other funds or accounts may or may not be substantially similar. The TriSpan Group may give advice and recommend investments to other funds or accounts which may differ from advice given to, or investments recommended or bought for, a PE Fund, even though their investment objectives may be the same or similar. Accordingly, the activities of the Adviser, the general partner of a PE Fund, and their respective affiliates or connected persons are likely to overlap and may lead to certain conflicts of interest. While the members of the TriSpan Group endeavour to manage such conflicts in line with its conflicts of interest policies, there is a risk that conflicts may go undetected and have an adverse impact on a PE Fund.

Competition; Availability of Investment Strategies. The success of a PE Fund's investment activities will depend on the Adviser's ability to identify investment opportunities as well as to assess the import of news and events that may affect the financial markets. Identification and exploitation of the investment strategies to be pursued by a PE Fund involves a high degree of uncertainty. No assurance can be given that the Adviser will be able to source suitable investment opportunities in which to deploy all of the PE Fund's assets.

General Economic and Market Conditions. The success of a PE Fund's investment activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of a PE Fund's investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of investments' prices and the liquidity of a PE Fund's investments. Volatility or illiquidity could impair a PE Fund's profitability or result in losses.

Assumption of Business, Terrorism and Catastrophe Risks. Opportunities involving the assumption by a PE Fund of various risks relating to particular assets, markets or events may be considered from time to time. A PE Fund's portfolio is subject to the risk of loss arising from exposure that it may incur, directly or indirectly, due to the occurrence of

various events, including, without limitation, hurricanes, earthquakes and other natural disasters, terrorism and other catastrophic events, and events that could adversely affect the health or life expectancy of people. These risks of loss can be substantial, could greatly exceed all income or other gains, if any, received by a PE Fund in assuming these risks and, depending on the size of the loss, could adversely affect the return of a PE Fund.

Systemic Risk. Credit risk may arise through a default by one of several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by the other institutions. This is sometimes referred to as a "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which the PE Fund interacts on a daily basis.

Cybersecurity Risk. As part of its business, the Adviser and the general partner of a PE Fund process, store and transmit electronic information, including information relating to the transactions of the PE Fund and personally identifiable information of the limited partners. Similarly, service providers to the Adviser and the general partner and the PE Fund, especially the administrator, may process, store and transmit such information. The Adviser and the general partner have procedures and systems in place to protect such information and prevent data loss and security breaches. However, such measures cannot provide absolute security. The techniques used to obtain unauthorized access to data, disable or degrade service, or sabotage systems change frequently and may be difficult to detect for long periods of time. Hardware or software acquired from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Network connected services provided by third parties to the Adviser and the general partner may be susceptible to compromise, leading to a breach of the Adviser's and the general partner's network. The Adviser's and the general partner's systems or facilities may be susceptible to employee error or malfeasance, government surveillance, or other security threats. Online services provided by the Adviser and the general partner to limited partners may also be susceptible to compromise. Breach of the Adviser's and the general partner's information systems may cause information relating to the transactions of a PE Fund and personally identifiable information of the limited partners or other persons to be lost or improperly accessed, used or disclosed. The service providers to the Adviser and the general partner or the PE Fund may be subject to the same electronic information security threats as the Adviser and the general partner. If a service provider fails to adopt or adhere to adequate data security policies, or in the event of a breach of its networks, information relating to the transactions of a PE Fund and personally identifiable information of the limited partners or other persons may be lost or improperly accessed, used or disclosed. The loss or improper access, use or disclosure of the Adviser's and the general partner's or the PE Fund's proprietary information may cause the Adviser and the general partner or the PE Fund to suffer, among other things, financial loss, the disruption of its business, liability to third parties, regulatory intervention or reputational damage. Any of the foregoing events could have a material adverse effect on the PE Fund and the limited partners' investments therein.

Public Health Emergencies and Pandemics. Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as COVID-19, have impacted market volatility. Future pandemics and public health emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which may result in significant losses to the Firm's clients. In addition, governmental mitigation actions may constrain or alter existing financial, legal and regulatory frameworks in ways that are adverse to the investment strategy of the Firm and client investment objectives. In addition, the operations of the Firm itself may be significantly impacted, or even temporarily halted, as a result of government quarantine measures, restrictions on travel and movement, remote-working requirements and other factors related to a public health emergency. Similar disruptions may occur in respect of the Firm's service providers and counterparties, which could also negatively impact the clients.

Volatility Caused by World Events. In recent years, world events such as terrorism, natural disasters as well as political and social turmoil have resulted in substantial volatility in the financial markets, impacting the wider global economy as well as directly impacted countries. Similar events and resulting fluctuations could have a substantial impact on the performance of investments in client accounts.

## **Risks Relating to the PE Fund and the Interests**

Limited Liquidity. An investment in a PE Fund provides limited liquidity since the Interests are not freely transferable and a limited partner has no redemption rights. Therefore, prospective investors should proceed on the assumption that they will have to bear the economic risk of an investment in the PE Fund through the PE Fund's term. An investment in the PE Fund is suitable only for sophisticated investors who do not require immediate liquidity for their investment.

Different Terms of Limited Partners; Other Agreements. The Adviser and the general partner will have the discretion to waive or modify the application of, or grant special or more favorable rights with respect to, any provision of Governing Documents to the extent permitted by applicable law. To effect such waivers or modifications or the grant of any special or more favorable rights, the Adviser or the general partner may create additional classes or designations of Interests for certain limited partners that provide for, additional and/or different rights (including, without limitation, with respect to the Carried Interest distributions, management fees, withdrawal rights, minimum and additional subscription amounts, informational rights, capacity rights and other rights). Certain grants of special rights may also be made by the Adviser and the general partner through letter agreements ("Other Agreements"). Although certain limited partners may invest in a PE Fund with different material terms, the Adviser and the general partner generally will only offer such terms if they believe other limited partners in the PE Fund will not be materially disadvantaged. The general partner may create additional classes or designations of Interests and may, and in certain cases the Adviser and the general partner may, enter into other agreements with certain limited partners without notice to, or consent of, other limited partners.

Failure to Make Capital Contributions. A PE Fund may be unable to make planned investments if any of its limited partners fails to make required capital contributions, and may itself become subject to damages for breach of contract in respect of a planned investment. Accordingly, failure by limited partners to make capital contributions may adversely affect the value of the PE Fund's investments.

Tax Considerations. The Adviser and the general partner may or may not take tax considerations into account in determining when a PE Fund's investments should be sold or otherwise disposed of.

Leverage; Borrowing for Operations. A PE Fund may enter into temporary borrowing arrangements that are fully covered by required capital commitments from the partners. Additionally, the portfolio companies in which a PE Fund invests may employ leverage. In each case, the level of interest rates generally, and the rates at which the PE Fund or the portfolio company can borrow, will ultimately affect the operating results of the PE Fund.

## **Risks Related to the Investment Strategy**

Sector Concentration. The PE Fund will pursue Investments solely in the sector described in the Governing Documents and in consequence the PE Fund could become significantly concentrated in this sector. Such concentration of risk may increase the losses suffered by the PE Fund. This limited diversity could expose the PE Fund to losses disproportionate to general market movements.

Lack of Diversification of the PE Fund's Overall Portfolio. During a PE Fund's commitment period, the Adviser may acquire portfolio positions in quantities based on its anticipated PE Fund assets under management in the future. Consequently, the PE Fund may hold more concentrated positions than it otherwise would if and when the PE Fund reaches its target level of assets under management and the PE Fund's returns may be magnified upwards or downwards accordingly.

Credit Risks. To the extent that a PE Fund holds debt securities in respect of its portfolio companies, the PE Fund may be exposed to losses resulting from default. Therefore, the value of the underlying collateral, the creditworthiness of the portfolio company and the priority of any lien are each of great importance. A PE Fund cannot guarantee the adequacy of the protection of the PE Fund's interests, including the validity or enforceability of the applicable debt instrument and the maintenance of the anticipated priority and perfection of the applicable security interests. Furthermore, a PE Fund cannot assure that claims may not be asserted that might interfere with enforcement of the PE Fund's rights. In the event of a foreclosure, a PE Fund or an affiliate of a PE Fund may assume direct ownership of

the underlying asset. The liquidation proceeds upon sale of such asset may not satisfy the entire outstanding balance of principal and interest payable, resulting in a loss to the PE Fund. Any costs or delays involved in the effectuation of a foreclosure of the asset or a liquidation of the underlying property will further reduce the proceeds and thus increase the loss.

Fraud. Of paramount concern in investing in private securities, including debt instruments of portfolio companies, is the possibility of material misrepresentation or omission on the part of the portfolio company or its representatives. Such inaccuracy or incompleteness may adversely affect the valuation of the portfolio company or may adversely affect the ability of a PE Fund to perfect or effectuate any lien. A PE Fund may rely upon the accuracy and completeness of representations made by the portfolio company and/or its representatives to the extent reasonable when it makes its investments, but cannot guarantee such accuracy or completeness. Under certain circumstances, payments received by a PE Fund may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment.

Hedging Transactions. A PE Fund may utilize financial instruments for risk management purposes in order to (i) protect against possible changes in the market value of the PE Fund's investment portfolio resulting from fluctuations in the markets and changes in interest rates; (ii) protect the PE Fund's unrealized appreciation in the value of its investment portfolio; (iii) facilitate the sale of any such investments; or (iv) hedge the interest rate, credit or currency exchange rate on any of the PE Fund's investments. A PE Fund will not be required to hedge any particular risk in connection with a particular transaction or its portfolio generally. While a PE Fund may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the PE Fund than if it had not engaged in any such hedging transaction. Moreover, it should be noted that the portfolio will always be exposed to certain risks that may not be hedged.

Exchange Rate Fluctuations; Currency Risks. A PE Fund may invest in financial instruments denominated in non-US currencies, the prices of which are determined with reference to currencies other than the US Dollar. Each PE Fund, however, values its financial instruments in US Dollars. A PE Fund may or may not seek to hedge its non-US currency exposure by entering into currency hedging transactions, such as treasury locks, forward contracts, futures contracts and cross-currency swaps. There can be no guarantee that financial instruments suitable for hedging currency or market shifts will be available at the time when a PE Fund wishes to use them, or that hedging techniques employed by the PE Fund will be effective. Furthermore, certain currency market risks may not be fully hedged or hedged at all. To the extent unhedged, the value of a PE Fund's positions denominated in currencies other than US Dollars will fluctuate with US Dollar exchange rates as well as with the price changes of the investments in the various local markets and currencies. In such cases, an increase in the value of the US Dollar compared to the other currencies in which a PE Fund makes investments will reduce the effect of any increases and magnify the effect of any decreases in the prices of the PE Fund's investments in their local markets and may result in a loss to the PE Fund. Conversely, a decrease in the value of the US Dollar will have the opposite effect on the PE Fund's non-US Dollar investments.

Compliance with Anti-Money Laundering and Know Your Customer Requirements. In response to increased regulatory concerns with respect to the sources of funds used in investments and other activities, the general partner of a PE Fund may request investors to provide additional documentation verifying, among other things, such investors' identity and source of funds used to purchase the interests of such PE Fund. The general partner of a PE Fund may decline to accept a subscription on the basis that such information that is provided or if this information is not provided. Requests for documentation and additional information may be made at any time during which an investor holds an interest in a PE Fund. Such general partner may be required to provide this information, or report the failure to comply with such requests, to appropriate governmental authorities, in certain circumstances without notifying the investors that the information has been provided.

**The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the PE Fund. Prospective Limited Partners should carefully read all the offering documents (private placement memorandum, organizational documents and other related documents) and consult with their own advisers before deciding whether to invest in the PE Fund. In addition, as a PE Fund's investment program develops and changes over time, an investment in the PE Fund may be subject to additional and different risk factors.**

## **Item 9. Disciplinary Information**

Neither the Adviser, nor any of its employees or principals, has been the subject of any material complaints or disciplinary action whether criminal, civil, or administrative, or regulatory proceedings since the Adviser's inception.

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

### **Broker-Dealer Registration**

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

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

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

### **Other Financial Industry Activities**

Certain direct and indirect partners, members, officers and employees of the TriSpan Group may serve as directors or hold executive positions with entities in which investments are held and/or that invest alongside any one particular PE Fund.

A registered investment adviser is required to disclose whether it or any of its management persons are registered, or have an application pending to register, as a (i) broker-dealer or a registered representative of a broker-dealer, or futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities. Neither the Adviser nor any of its management persons are registered as such or have any application for such registration pending.

### **Relying Adviser**

TSUK acts as an additional manager to certain Advisory Clients. TSUSA and TSUK conduct a single advisory business. Consequently, TSUK is deemed to have registered through TSUSA's Form ADV as a "relying adviser."

TriSpan Holding Ltd. is also deemed to have registered through TSUSA's Form ADV as a "relying adviser."

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

The Adviser has adopted a Code of Ethics (the “Code”) which sets out the standards of conduct expected of the Firm’s employees and details policies and procedures addressing certain potential conflicts of interest, including employee trading. All employees are responsible for upholding the Firm’s fundamental principles of integrity, honesty and trust and must conduct their activities with due skill, care, and diligence. These reporting requirements apply to all “access persons” of the Adviser (as defined in Advisers Act Rule 204A-1) as well as their spouses, certain members of their immediate families and other persons as further described in the Code. Furthermore, the reporting requirements apply to any account in which an access person or other person covered by the requirements has a direct or indirect beneficial, economic or financial interest or has investment discretion or direct or indirect influence or control.

Employees are required to submit to the Chief Compliance Officer an initial and annual report listing their covered accounts and reportable securities. Transactions reports are then submitted on quarterly basis. Employees are also subject to restrictions on participating in initial public offerings and private placements and the right of the Firm to require them to disgorge any profits from a transaction deemed, after the event, to conflict with client interests. Employees are strictly prohibited from trading either in their personal accounts or client accounts on the basis of material non-public information.

A copy of the Code will be provided to any investor upon request by contacting David Allan at David.Allan@trispallp.com or (646) 586-2194.

## Item 12. Brokerage Practices

As the Adviser manages PE Funds, it does not ordinarily engage in the trading of publicly-traded securities. Accordingly, the portfolio investments of its Advisory Clients are not generally executed through brokerage firms, and the Adviser does not ordinarily select or recommend brokers for Advisory Clients.

If a broker-dealer is used for client transactions, the Adviser will evaluate the broker-dealer based on several factors, which may include price, reputation and ability to execute the relevant transaction(s). The Adviser has a fiduciary duty to seek to achieve “best execution” for its clients. This does not necessarily entail seeking to achieve the lowest possible commission; rather, seeking to achieve best execution involves a qualitative evaluation by the Adviser of all factors the Adviser deems relevant under the circumstances, including the full range and quality of brokerage services available.

The Adviser does not currently use “soft dollars”. In the event that “soft dollars” generated by Clients’ trading activities are used to purchase research services or products that would otherwise have been an expense of the Firm, we intend to keep any such arrangements within the parameters of Section 28(e) of the Securities Exchange Act of 1934, as amended.

As noted above, the Adviser’s investment advice to clients pertains primarily or exclusively to individual private transactions. In that context, the aggregation of securities purchase or sale orders is not applicable.

## **Item 13. Review of Accounts**

The Adviser's investment teams, including senior management review the PE Fund portfolios on an ongoing basis. Each PE Fund also has an investment committee ("IC") that holds portfolio review meetings. At the monthly meetings, the relevant investment team updates the IC on the progress and status of a portion of the PE Fund's portfolio companies, typically all portfolio companies are reviewed at least twice a year or when there are performance concerns with any such portfolio company.

As soon as practicable after the end of each year, TriSpan Group will distribute an audited financial report (prepared using UK GAAP as modified by relevant Governing Documents) for all TriSpan Group PE Funds with respect to the previous fiscal year to all investors within 120 days of each PE Fund's fiscal year-end. In addition, each PE Fund will generally distribute net asset value updates and performance reports with attribution analysis on a bi-annual basis via the PE Fund's administrator.

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

Other than certain related entities as specified in a PE Fund's Governing Documents, no one who is not an Advisory Client provides an economic benefit to the Adviser for providing investment advice or other advisory services to clients. Please see Item 5 above with respect to certain fees and payments that may be received by the Adviser or related parties from portfolio companies.

Except as described below, neither the Adviser nor any related person of the Adviser directly or indirectly compensates any person who is not the Adviser's supervised person for investor referrals. The Adviser has engaged certain unaffiliated third parties to assist the Adviser with capital raising from institutional investors. Each third parties' compensation for services under their respective arrangement typically consists primarily of a flat fee together with a fee based on aggregate capital commitments, as further specified in the relevant agreement.

## **Item 15. Custody**

The Adviser does not provide custodial services to the PE Funds. The assets of the PE Funds where appropriate are held with Qualified Custodians. As a matter of policy and practice, the Adviser does not permit employees to accept or maintain custody of client assets. In order to satisfy Rule 206(4)-2 of the Advisers Act, the Adviser will ensure that each investor receives a copy of the applicable PE Fund's audited financial statements within 120 days of its accounting year end date.

The audited financial statements are prepared on a going concern basis under the historical cost convention, as modified by the revaluation of investments and in accordance with UK generally accepted accounting principles modified by relevant Governing Documents.

## **Item 16. Investment Discretion**

As detailed in the relevant PE Fund's Governing Documents, a PE Fund's general partner normally receives investment recommendations from the Adviser but retains sole discretion over the investment of the PE Fund's capital as well as the ultimate realization of any profits. This authority is granted by each PE Fund's Advisory Agreement. The PE Fund's general partner normally has sole and absolute discretion in structuring, negotiating, purchasing, financing, monitoring and eventually divesting investments made by the PE Fund.

Investment advice is provided directly to the PE Funds general partner and not individually to the investors in the PE Funds. The PE Fund's investments are made in accordance with the applicable guidelines, objectives, limitations and other terms specified in the PE Fund's organizational documents.

## **Item 17. Voting Client Securities**

The Adviser does not anticipate owning on behalf of any PE Fund any equity securities granting it, or its clients, the right to vote proxies. However, the Adviser has established a Proxy Voting Policy in the unlikely event that it is required to vote a proxy for certain investments or if the Adviser is required to vote on a corporate action regarding a Portfolio Manager or Portfolio Fund.

To the extent the Adviser has been delegated proxy voting authority on behalf of its PE Funds, the Adviser complies with its proxy voting policies and procedures that are designed to ensure that in cases where the Adviser votes proxies with respect to client securities, such proxies are voted in the best interest of the PE Funds. The investors in the PE Fund may not direct voting of proxies.

A copy of the Adviser's proxy voting guidelines and information regarding how the Adviser has voted a PE Fund's securities are available upon request by contacting David Allan at [David.Allan@trispallp.com](mailto:David.Allan@trispallp.com) or (646) 586-2194.

## **Item 18. Financial Information**

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