

Form ADV Part 2A



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This Form ADV Part 2A (the “Brochure”) provides information about the qualifications and business practices of Assured Healthcare Partners LLC and its affiliates (“AHP” or the “Firm”). If you have any questions about the contents of this Brochure, please contact Richard Horne, Chief Compliance Officer, at 212-905-5658 and/or LegalNotices@AHPartners.com. 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 AHP also is available on the SEC’s website at www.adviserinfo.sec.gov. The SEC’s web site also provides information about any persons affiliated with AHP who are registered, or are required to be registered, as investment adviser representatives of AHP.

Although AHP is registered under the Investment Advisers Act of 1940 (the “Advisers Act”) as an investment adviser, such registration does not imply that AHP or its personnel have a certain level of skill or training.

Item 2 – Material Changes

If you are amending your *brochure* for your annual update and it contains material changes from your last annual update, identify and discuss those changes on the cover page of the *brochure* or on the page immediately following the cover page, or as a separate document accompanying the *brochure*. You must state clearly that you are discussing only material changes since the last annual update of your *brochure*, and you must provide the date of the last annual update of your *brochure*.

This Item 2 includes only material changes since the last annual update of this Part 2A of Form ADV. Since AHP's annual filing amendment date March 2023, the Firm is reporting the following material changes:

Item 2: Effective July 21, 2023, Assured Guaranty US Holdings Inc. sold 100% of its interest in Assured Healthcare Partners LLC to PHP Industries LLC. PHP Industries LLC is now the sole direct owner of AHP and James Pieri is the sole direct owner of PHP Industries LLC.

Item 2: Effective July 1, 2023, Richard Horne has been appointed Chief Compliance Officer of AHP and is managing a compliance program independent of AHP's previous affiliate, Assured Investment Management, LLC.

Item 4 and Item10: AHP has updated affiliations.

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Item 4 – Advisory Business

A. Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).

AHP is organized as a Delaware limited liability company and is an investment adviser registered with the SEC. The firm filed for registration as an investment adviser in 2023.

AHP has approximately \$1,539,771,457 in regulatory assets under management.¹ AHP serves as an investment adviser to pooled investment vehicles (“Fund Clients”) that are primarily domestic and foreign limited partnerships.

Investments by Fund Clients typically are made through a master-feeder structure or through a parallel funds structure, in each case, with an affiliate of AHP serving as general partner of Fund Clients organized as limited partnerships, and AHP serving as investment adviser to the Fund Clients.

AHP provides investment advisory services primarily focused on private investments in the healthcare sector.

Principal Ownership

James Pieri, through PHP Industries LLC, a Delaware limited liability company, is the sole owner of AHP.

B. Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.

AHP specializes in providing advisory services with respect to private investments in healthcare-related and/or healthcare-adjacent companies.

C. Explain whether (and, if so, how) you tailor your advisory services to the individual needs of clients. Explain whether *clients* may impose restrictions on investing in certain securities or types of securities.

The advisory services provided by AHP to the Fund Clients are tailored to the investment objectives, investment strategy and investment restrictions, if any, as set forth in the governing documents of Fund Clients and/or the investment management agreement entered into by AHP with such clients. Except as noted below, AHP typically does not tailor its advisory services to the individual needs of investors in the Fund Client; accordingly, AHP typically does not accept material investment restrictions imposed by such Fund Client investors. The offering documents of the Fund Clients and certain agreements with one or more investors (“Side Letters”) permit the excuse and/or exclusion of a particular investor from participating in a particular investment in certain limited circumstances, but AHP generally does not otherwise accept investment restrictions imposed by Fund Client investors.

Each Fund Client from time to time enters into Side Letters with one or more of its investors whereby in consideration for agreeing to invest certain amounts in a Fund Client and/or other consideration deemed sufficiently material, such investors may be granted favorable rights not afforded other investors in such Fund Client. Such rights may include one or more of the following: rights to receive additional

¹ Calculated as of June 30, 2023.

representations and/or covenants; rights to receive reports from the Fund Client on a more frequent basis or that include information not typically provided to other investors that AHP believes are not prejudicial to other investors; rights to receive reduced rates of performance fees/allocations and/or management fees earned by AHP, each Fund Client's general partner and/or other affiliates (directly or indirectly through a rebate or reimbursement arrangement); application of a restricted securities list; and such other rights as are negotiated between the Fund Client, AHP and such investors. Such agreements may be entered into by the Fund Client and the applicable member of AHP without the consent of other investors in such Fund Client; additionally, except as may be required by "most-favored-nations" clauses, such agreements usually need not be disclosed to other investors in such Fund Client.

D. If you participate in *wrap fee programs* by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.

AHP does not participate in "wrap fee arrangements," whereby clients select AHP to manage funds through an investment program presented to the clients by a third-party program sponsor.

E. If you manage *client* assets, disclose the amount of *client* assets you manage on a *discretionary basis* and the amount of *client* assets you manage on a *non-discretionary basis*. Disclose the date "as of" which you calculated the amounts.

As of June 30, 2023 AHP has approximately \$1,539,771,457 in regulatory assets under management, all of which it manages on a discretionary basis.

Item 5 – Fees and Compensation

A. Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.

AHP is compensated for its advisory services generally through a management fee charged to its Fund Clients. Such management fees are typically payable by the Fund Client in advance on a quarterly basis and are calculated as a percentage (typically 1.25% to 2% per annum) of (i) capital commitments or (ii) the cost of portfolio investments (subject to write-down), depending on the Fund Client's stage in the investment and harvest cycle. AHP receives performance compensation based on internal rate of return calculations by reference to distributions made to investors in Fund Clients, subject to various hurdles.

Depending on the characteristics of the Fund Client, fees may be higher or lower and may be subject to various reductions and offsets, in each case, as set forth in each Fund Client's offering documents. AHP reserves the right to waive some or all fees for certain investors in Fund Clients, including for current or former employees of, or investors who are affiliated with, AHP. Except as described in the following paragraph, the management fee and performance compensation for Fund Clients are generally not negotiable.

As explained above in Item 4, AHP enters into Side Letters with certain Fund Client investors, typically those with the largest aggregate investments in Fund Clients, whereby such investors are granted favorable rights not granted to other investors in the Fund Client including, among other things, rights to receive reduced rates of performance compensation and/or management fees earned by AHP or its affiliate.

Where advisory fees are calculated by reference to the net asset value of assets held by a Fund Client, AHP generally relies on prices provided by third parties (whether dealer quotes, third-party data feeds, or an independent valuation agent) for purposes of valuing portfolio securities held in Fund Client accounts. The third-party administrator (the "Administrator") for such Fund Client verifies the third-party values that AHP receives. In the event of a disagreement between AHP and the Administrator, AHP works with the Administrator to investigate and resolve any differences. Although it is extremely rare for discrepancies to persist after an investigation by AHP and the Administrator, in the event that AHP and the Administrator ultimately disagree on the valuation of a position, the Administrator can withhold the net asset value if it is unsatisfied with the valuation. AHP maintains policies and procedures relating to the pricing process.

Except to the extent that better performance increases assets under management and thus the amount of the management fee (in cases where the management fee is calculated by reference to the net asset value), management fees are payable without regard to the overall success or income earned by Fund Clients and therefore may create an incentive on the part of AHP to raise or otherwise increase assets under management to a higher level than would be the case if AHP were receiving a lower or no management fee.

Other fees payable by investors in Fund Clients are described below.

Fund Client investors and prospective investors in Fund Clients should refer to the private placement memorandum, offering circular or other offering documents of the respective Fund Client for detailed information with respect to the fees associated with such Fund Client. The information contained herein is a summary only and is qualified in its entirety by such documents.

B. Describe whether you deduct fees from *clients'* assets or bill *clients* for fees incurred. If *clients* may select either method, disclose this fact. Explain how often you bill *clients* or deduct your fees.

AHP deducts fees (or directs the payment of fees) from Fund Clients' assets. Management fees are generally paid by Fund Clients to AHP pursuant to a management agreement between the parties.

Performance compensation may be deducted from Fund Client assets and allocated to an affiliate of AHP pursuant to the governing documents of the Fund Client, or paid directly out of Fund Client assets to an affiliate of AHP pursuant to a management agreement between the parties and/or the governing fund documents of Fund Clients.

Management fees are generally paid by Fund Clients monthly or quarterly in arrears or in advance. Performance compensation is generally payable at the end of each year or other pre-defined period, at the time distributions are made to an investor and/or at the time an investor withdraws or redeems, as the case may be, from a Fund Client, in each case, as set forth in the governing fund documents of Fund Clients.

Management fees and performance compensation may be (and have been) waived or modified in the sole discretion of AHP and/or its affiliates, including for investors who are affiliated with AHP.

Fund Client investors and prospective investors in Fund Clients should refer to the private placement memorandum, offering circular or other offering documents of the respective Fund Client for detailed information with respect to how fees are paid with respect to their assets. The information contained herein is a summary only and is qualified in its entirety by such documents.

C. Describe any other types of fees or expenses *clients* may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that *clients* will incur brokerage and other transaction costs, and direct *clients* to the section(s) of your *brochure* that discuss brokerage.

AHP's fees are exclusive of Fund Clients' own organizational (which generally are amortized over a period of time, as set forth in the offering documents of each applicable Fund Client), operating and other expenses including, without limitation: indemnification expenses; organizational expenses of a Fund Client's general partner; expenses of an anchor investor subject to a cap; commissions; clearing fees; fees, interest and other costs on margin accounts, subscription facilities or other financings or re-financings; any taxes and duties payable in any jurisdiction in connection with the operation of Fund Clients and any investment vehicles thereof; accounting and legal fees and disbursements (including legal fees related to the acquisition, protection and distribution of the Fund Clients' investments and counterparty negotiation and documentation following commencement of trading operations); accounting, audit and tax preparation expenses; trustee, rating agency and administrator fees and expenses; investment-related expenses, including research, subscriptions, quotation services and data feeds; borrowing charges on securities sold short; custodial fees; bank service fees; third party servicing agents; expenses in connection with transactions directed to broker-dealers in part in recognition of investment research and information furnished or expenses for services rendered by broker-dealers in the execution of such orders and the use of such research and other services provided by such broker-dealers; investment and trading consultant (including consultants providing market research, new investment identification, pre-investment business diligence, post-investment value creation and investment disposition services) fees and expenses; investment-related travel and entertainment expenses; expenses in connection with proposed transactions (including transactions that fail to close); expenses related to reporting to and communicating with investors; liability insurance premiums with respect to the board of directors or board of managers of the Fund Client, such Fund Client's general partner and AHP; director and manager services fees and expenses; registered office expenses; and any other expenses related to the purchase, sale, holding or transmittal of Fund Client assets or liabilities or the business or affairs of Fund Clients. For those Fund Clients that are part of a master-feeder structure, each feeder fund will indirectly bear the administrative and other expenses of the master fund *pro rata* based on its interest in the master fund.

From time to time AHP engages third-party consultants to provide assistance with deal sourcing, industry insight or due diligence, offer financial and structuring advice and perform other services for the Fund

Clients and their respective portfolio companies (“Senior Advisors”). Senior Advisors assist with a variety of activities including market research, new investment identification, pre-investment business diligence and post-investment value creation in their areas of expertise. Senior Advisors are not employees or affiliates of AHP but consultants who work with AHP on an exclusive or non-exclusive basis. Certain Senior Advisors receive a deal fee in the event that a transaction in which they are directly involved is consummated, and certain Senior Advisors receive ongoing monitoring or consulting fees. Deal success fees are typically included in the closing costs payable by the portfolio company and any other fees are typically borne by the portfolio company. In addition, certain Senior Advisors have the opportunity to co-invest in a particular portfolio company on substantially the same terms and conditions as the Fund Clients (*provided* that they may not be required to pay carried interest or management fees, and may be entitled to profits interests and participate (directly or indirectly) in option plans, incentive compensation arrangements or other similar programs of the subject portfolio company (which plans or arrangements may be through an investment vehicle formed for such purpose)). From time to time, certain Senior Advisors are also entitled to participate in the carried interest paid by the Fund Clients, and from time to time, certain Senior Advisors serve on the board of portfolio companies and provide additional services directly to such portfolio companies. In either case, such Senior Advisor may receive direct compensation from a portfolio company under terms agreed to by the portfolio company and the Senior Advisor. In addition, the Fund Clients generally bear their share of any travel costs or other out of-pocket expenses incurred by Senior Advisors in connection with the provision of their services (whether or not a transaction is consummated). Neither AHP nor any of its related persons is entitled to any portion of the fees or other compensation payable by a portfolio company to a Senior Advisor (including without limitations, fees, options, incentive compensation grants and other compensation) and such amounts will not offset management fees. From time to time, AHP transitions former employees to become Senior Advisors.

Fund Client investors and prospective investors in Fund Clients should refer to the private placement memorandum, offering circular or other offering documents of the respective Fund Client for detailed information with respect to the fees and expenses they may pay in connection with an investment in such Fund Client. The information contained herein is a summary only and is qualified in its entirety by such documents.

D. If your *clients* either may or must pay your fees in advance, disclose this fact. Explain how a *client* may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.

Management fees applicable to certain Fund Clients are paid monthly or quarterly, as applicable, in advance as described in the investment management agreement between such Fund Client and AHP and/or the governing documents of such Fund Client. With respect to fee refunds, information about how investors in Fund Clients withdraw or redeem interests or shares in a Fund Client is set forth in the respective Fund Client’s governing documents.

E. If you or any of your *supervised persons* accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact and respond to Items 5.E.1, 5.E.2, 5.E.3 and 5.E.4.

1. Explain that this practice presents a conflict of interest and gives you or your *supervised persons* an incentive to recommend investment products based on the compensation received, rather than on a *client’s* needs. Describe generally how you address conflicts that arise, including your procedures for disclosing the conflicts to *clients*. If you primarily recommend mutual funds, disclose whether you will recommend “no-load” funds.

2. Explain that *clients* have the option to purchase investment products that you recommend through other brokers or agents that are not affiliated with you.

3. If more than 50% of your revenue from advisory *clients* results from commissions and other compensation for the sale of investment products you recommend to your *clients*, including asset-based distribution fees from the sale of mutual funds, disclose that commissions provide your primary or, if applicable, your exclusive compensation.

4. If you charge advisory fees in addition to commissions or markups, disclose whether you reduce your advisory fees to offset the commissions or markups.

No member of AHP nor any of their respective employees receive, directly or indirectly, any compensation from the sale of securities or investments that are purchased or sold for Fund Client accounts. Each member of AHP is compensated through the stated management fee and performance compensation agreed upon in the governing documents of the respective Fund Client. Accordingly, AHP believes that it does not have any conflicts of interest regarding the receipt of additional compensation for the sale of investment products.

Item 6 – Performance-Based Fees and Side-by-Side Management

If you or any of your *supervised persons* accepts *performance-based fees* – that is, fees based on a share of capital gains on or capital appreciation of the assets of a *client* (such as a *client* that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your *supervised persons* manage both accounts that are charged a *performance-based fee* and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your *supervised persons* face by managing these accounts at the same time, including that you or your *supervised persons* have an incentive to favor accounts for which you or your *supervised persons* receive a *performance-based fee*, and describe generally how you address these conflicts.

As described in Item 5, AHP or its affiliates receive performance-based compensation for investment management services provided to Fund Clients. Performance-based compensation represents an asset manager's compensation for managing an account which is based upon a percentage of the net profits of the account being managed. AHP's performance-based compensation arrangements are typically a percentage of net profits allocated to an investor in a Fund Client on an annual basis or based on an internal rate of return calculation by reference to distributions made to investors and, in certain cases, is subject to a hurdle or a reduction based on the amount of management fees paid.

Performance-based compensation creates certain inherent conflicts of interest with respect to the management of assets by AHP. Specifically, entitlement to performance-based compensation in managing one or more accounts may create an incentive for AHP to make investments that are riskier or more speculative than would be the case in the absence of such performance-based compensation.

Side-by-Side Management

AHP's investment professionals simultaneously manage portfolios for Fund Clients that implement comparable investment strategies (i.e., side-by-side management). The simultaneous management of these different investment products creates certain potential conflicts of interest and the possibility of favorable or preferential treatment of a portfolio or a group of portfolios, as the fees for the management of certain types of products are higher than others or the investors in a certain portfolio may pay higher fees than others. Because side-by-side management raises such issues, and because AHP has an affirmative duty to treat its Fund Clients fairly and equitably over time, AHP has instituted controls, including its allocation guidelines, in an effort to ensure that it fulfills this duty.

AHP's allocation guidelines are written guidelines intended to ensure that investment opportunities are allocated on a fair and equitable basis among Fund Clients. Such allocation guidelines set forth (i) methods of investment opportunity purchase and sale allocations which vary according to the liquidity profile of each investment opportunity and certain risk parameters applicable to each Fund Client and (ii) allocation methods which determine how partially-filled orders are divided among Fund Clients. AHP periodically performs a series of tests to ensure that investment opportunities are allocated in conformity with these guidelines. Although AHP has a duty to treat all portfolios employing an investment strategy fairly and equitably over time, such portfolios will not necessarily be managed in the same manner at all times. Specifically, there is no requirement that AHP use the same investment practices consistently across all portfolios. In general, investment decisions for each Fund Client will be made independently from those of other Fund Clients, and will be made with specific reference to the individual needs and objectives of each Fund Client. In fact, different Fund Client guidelines and/or differences within particular investment strategies may lead to the use of different investment practices for portfolios employing a similar investment strategy. In addition, AHP will not necessarily purchase or sell the same securities at the same time or in the same proportionate amounts for all eligible portfolios, particularly if different portfolios have materially different amounts of capital under management by AHP, different idiosyncratic risk concentration limits or

different amounts of investable cash available. As a result, although AHP and its Covered Persons manage numerous portfolios with comparable investment objectives, or manage accounts with different objectives that trade in the same securities, the portfolio decisions relating to these accounts, and the performance resulting from such decisions, differ from portfolio to portfolio.

AHP may, from time to time, offer certain investors in Fund Clients and/or other third parties (“Co-Investors”) the right or opportunity to co-invest with other investors and/or Fund Clients in certain portfolio investments, whether as a direct investment by the Co-Investor or as an indirect investment via a special purpose vehicle or other co-investment vehicle established by AHP to hold such co-investment (in each case, a “Co-Investment Opportunity”). Any such Co-Investment Opportunity would only be offered following a determination by AHP that all Fund Clients have received the full amount of their respective desired allocations of a particular investment in accordance with AHP’s allocation guidelines.

AHP is generally not obligated to arrange Co-Investment Opportunities for all investors in a Fund Client, and investors and Fund Clients generally will not be entitled or have any right to participate in such an opportunity solely by reason of being a Fund Client or an investor in a Fund Client. AHP’s decision to offer (or not to offer) Co-Investment Opportunities to any investor generally will be made in its sole discretion, with due consideration for, among other factors, (i) special rights previously offered to particular large or strategic investors (including “most-favored-nations” rights), (ii) the size of the Co-Investment Opportunity, (iii) the capacity of the prospective Co-Investor to make the investment, (iv) the extent to which previous Co-Investment Opportunities were offered to the prospective Co-Investor (and whether such prospective Co-Investor participated in such previous Co-Investment Opportunities); (v) whether the prospective Co-Investor will represent a good syndicate partner in connection with the Fund Client’s investment; (vi) how quickly a prospective Co-Investor will be able to consummate its co-investment (including completion of due diligence and obtaining all required internal approvals); (vii) AHP’s evaluation of whether the Co-Investment Opportunity would subject the potential Co-Investor to legal, regulatory, reporting, public relations, media, or other burdens that make it less likely that the prospective Co-Investor would act upon the Co-Investment Opportunity, if offered; (viii) the ability of such prospective Co-Investor to generate future investment opportunities or provide other benefits to Fund Clients; (ix) the ability of such prospective Co-Investor to provide analytical and market advice or other expertise that may be valuable to Fund Clients; and (x) tax, legal, regulatory or confidentiality considerations. In certain cases, Co-Investment Opportunities are structured to entitle AHP to receive performance-based compensation and/or management fees.

Item 7 – Types of Clients

Describe the types of *clients* to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.

Types of Clients

AHP provides investment advisory services to pooled investment vehicles operating as private investment funds.

Minimum Investment Amount

There is currently no minimum initial investment amount for investors in Fund Clients. Generally, investors in Fund Clients must meet the definition of “qualified purchaser” under the Investment Company Act of 1940 (the “Company Act”).

Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss

A. Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that *clients* should be prepared to bear.

AHP pursues majority buyouts and structured minority investments in healthcare businesses operating primarily in the United States and Canada, which take the form of equity, preferred equity and/or debt. Each Fund Client's investment strategy is generally set forth in a confidential private placement memorandum, offering circular or other offering documents of such Fund Client.

AHP employs a high-touch, value-added approach to investing in healthcare companies at the intersections of change. AHP provides customized capital solutions to reposition and grow healthcare service companies in transitions or at inflection points in their lifecycles. AHP focuses on the \$2.5+ trillion healthcare services sector, thematically capitalizing on inefficiencies that are prevalent across numerous sub-segments and situation types in the middle market. AHP intends to continue replicating its investment strategy on behalf of its Fund Clients.

AHP generally seeks to create value and upside potential for its portfolio companies as follows:

- *Operational Improvement* – Right-size labor for patient/service mix, renegotiate payer contracts, remediate billing & collections activities.
- *Strategy Repositioning* – Adjust patient and/or service mix to fill consumer or payer gaps; optimize geographic footprint.
- *Financial Restructuring* – Restructure liability profile to increase business plan flexibility, rearchitect appropriate stakeholder incentives.
- *Capital Investment* – Transformative investments in IT, Property, Plant & Equipment, and new service lines.
- *Scale Correction* – Offensive consolidation (“roll-up”) or break-up of over-extended players (“carve-out”).
- *Leadership Transformation* – Augment management to lead people, process, technology, strategy and business model shifts.

On behalf of Fund Clients, AHP provides tailored capital and specialized resources to transitional companies in the United States healthcare services market, as follows:

- Sub-sectors in focus span provider, payer and outsourced services segments which are dynamically growing and restructuring.
- Business plans foster cost-effective, quality services to the healthcare system.
- AHP targets transitional opportunities underserved by commonly organized capital sources. These opportunities often entail more work with greater complexity in exchange for better risk-adjusted returns.
- End target companies and assets who are “in transition” or at inflection points in their life cycle do not have fully mature or stabilized earnings profiles. These targets possess substantial value enhancement potential and are undervalued in AHP's experience.

- Given the transitional nature of end targets and their associated operating environments, AHP is able to invest in repositioning and growth opportunities at value prices with a compelling margin of safety.
- AHP employs a range of investment instruments to meet the customized needs of the target, optimizing Fund Clients' risk/reward profiles in order to mitigate downside risks and align upside participation for all stakeholders.

The capital solutions employed by AHP on behalf of Fund Clients include "hybrid capital," which is an umbrella term used to describe investments that combine upside potential through repositioning or growth levers (and often influence) with downside protection features (e.g., rapid cost recovery, cash-flow coverage, contractual cash flows, seniority/first loss protection). The risk-mitigated upside potential that characterizes AHP's investment structures is achieved via the negotiation of capital structure seniority/preferences and explicit controls/governance that facilitate high influence over value enhancement processes and outcomes. AHP is led and managed by its Managing Partner, Jim Pieri, along with its senior leadership team of Managing Directors, as of the date of this Brochure, Ameya Agge, Matt Jameson, and Dr. Bede Broome.

Investors in Fund Clients should be aware that investing in securities involves risk of loss that investors should be prepared to bear.

B. For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

All securities investments risk the loss of capital. No guarantee or representation is made that a Fund Client will achieve its investment objective or that investors will not lose all or substantially all of their investment in the Fund Client. Purchases of interests in Fund Clients are suitable only for investors of substantial financial means who can make a long-term investment, can bear the risk of loss of their entire investment in the Fund Client and have no need for liquidity of their investment.

Each strategy employed by AHP has the potential for Fund Clients' assets to decline in value. The nature of Fund Clients' investments involves certain risks, and the use of investment techniques (such as leverage) carries additional risks. Some of the specific risks to which Fund Client assets are susceptible are as follows:

General Risks

Concentration of Investments

Fund Clients may at certain times hold relatively few investments which are concentrated with respect to strategy, geography, risk profile, asset class or other characteristic. AHP does not seek to maintain a diversified portfolio of investments in the Fund Clients. Fund Clients could be subject to significant losses if they hold a large position in a particular investment that declines in value or is otherwise adversely affected.

Volatility

The market value of certain of a Fund Client's investments may be volatile, and will generally fluctuate due to a variety of factors that are inherently difficult to predict, including, among other things, the macro business and economic environment, specific developments or trends within a company or in any particular

industry, the market's overall perception of risk, general economic conditions, the condition of certain financial markets, domestic and international economic or political events, prevailing credit spreads, changes in prevailing interest rates and the financial condition of counterparties.

Illiquidity of Investments

The Fund Clients primarily make private investments that are subject to liquidity-related risks, particularly the risk that a Fund Client will be unable to dispose of such investments by sale or other means at attractive prices or will otherwise be unable to complete any exit strategy. Among others, these risks include changes in the financial condition or prospects of the entity in which the investment is made. It is not generally expected that private securities acquired by a Fund Client will eventually be registered and listed on a securities exchange. Absent registration, such Fund Client will not be able to sell such securities unless an exemption from such registration requirements is available. In addition, in some cases a Fund Client may be prohibited by contract or regulatory restrictions from selling such securities for a period of time. To the extent that there is no liquid trading market for an investment, a Fund Client may be unable to liquidate that investment or may be unable to do so at a profit. Moreover, there can be no assurances that private purchasers for a Fund Client's investments will be found.

In the limited circumstances in which Fund Clients hold publicly-traded investments, they may be similarly illiquid, making it difficult for AHP to dispose of them at the prices quoted on the various exchanges. Accordingly, AHP's ability to respond to market movements may be impaired, and Fund Clients may experience adverse price movements upon liquidation of such investments.

Financial Model Risk

Most, if not all, of Fund Clients' investments and investment strategies require the use of quantitative and qualitative valuation models developed by AHP and third parties. As market dynamics shift (for example, due to changed market conditions and participants) over time, a previously highly successful model may become outdated or inaccurate, perhaps without AHP recognizing the change before significant losses are incurred. A Fund Client's model risk extends to the valuation of its investments, most of which will be made on the basis of internal AHP models in the absence of any readily determinable market value. The valuations so determined may differ materially from values that are actually realized.

Hardware Failures. Similarly, with regard to trading, communication, development, programming and other systems or equipment that AHP operates, utilizes or relies upon, any or all of the following events may occur, even where AHP, acting as a fiduciary, takes steps to select secure and satisfactory equipment and service providers: (i) failures of such systems or equipment; (ii) interruptions in access to or the operations of such systems or equipment; (iii) loss of functionality of such systems or equipment; (iv) degradation or corruption of such systems or equipment; (v) compromises in the security or integrity of such systems or equipment; (vi) loss of power to such systems or equipment; and (vii) other situations that adversely affect such systems or equipment, however caused or occurring. These sorts of problems can result in losses for the Fund Clients and are collectively termed "Hardware Failures." Hardware Failures also are not deemed to be "Trade Errors."

Pursuant to the "general exculpation and indemnity standard" described above, none of AHP or any other Indemnified Person will generally be liable to the Fund Clients for losses resulting from any Hardware Failure, absent the actual fraud, bad faith, gross negligence (as determined under New York law), breach of a specified duty or willful misconduct of AHP or of any such Indemnified Person, in each case, subject to the specific indemnification terms and conditions in a Fund Client's governing documentation. As a result of these provisions, the Fund Clients (and not AHP) will be responsible for any losses resulting from Hardware Failures, absent actual fraud, bad faith, gross negligence (as determined under New York law), breach of a specified duty or willful misconduct of AHP or of any such Indemnified Person, in each case,

subject to the specific indemnification terms and conditions in a Fund Client 's governing documentation, in which case AHP will reimburse the Fund Clients for losses resulting from such covered Hardware Failures. Investors should weigh the risk that Hardware Failures result in losses for the Fund Clients, which will be responsible for such losses, even if they result from the negligence (but not gross negligence) of AHP and its personnel.

Leverage

Certain Fund Clients employ leverage for the purpose of making investments. The use of leverage creates special risks and may significantly increase the Fund Client's investment risk. Leverage creates an opportunity for greater yield and total return but, at the same time, increases the Fund Client's exposure to capital risk and interest costs. Any investment income and gains earned on investments made through the use of leverage that are in excess of the interest costs associated therewith may cause the value of interests in the Fund Client to increase more rapidly than would otherwise be the case. Conversely, where the associated interest costs are greater than such income and gains, the value of the interests in the Fund Client may decrease more rapidly than would otherwise be the case.

Reliance on Corporate Management and Financial Reporting

AHP relies on the financial information made available by the issuers in which Fund Clients invest. AHP typically does not independently verify the financial information disseminated by the numerous issuers in which Fund Clients may invest and is dependent upon the integrity of both the management of these issuers and the financial reporting process in general. Corporate mismanagement, fraud and accounting irregularities relating to the issuers of investments held by Fund Clients may result in material losses. Equity prices are particularly vulnerable to corporate mismanagement.

Litigation

From time to time, in the ordinary course of their operations, AHP and its affiliates may be subject to litigation and arbitration, which can be costly and divert significant portions of available staff time and resources. In addition, from time to time AHP uses litigation as part of an investment tactic. A Fund Client could be party to lawsuits either initiated by it, or by a company in which such Fund Client invests, other shareholders, or state, federal and foreign governmental bodies. There can be no assurance that any such litigation, once begun, would be resolved in favor of the applicable Fund Client. Any litigation or arbitration could have a materially adverse effect on the involved Fund Client.

Exposure to Material, Non-Public Information

From time to time, AHP receives material, non-public information with respect to an issuer of publicly traded securities. In such circumstances, Fund Clients may be prohibited, by law, policy or contract, for a period of time from (i) unwinding a position in such issuer, (ii) establishing an initial position or taking any greater position in such issuer, and (iii) pursuing other investment opportunities related to such issuer.

Reliance on Management

Investors generally do not have an opportunity to select or evaluate any Fund Client's investments, or to review a Fund Client 's securities and other investment positions. AHP selects all Fund Client investments, and the quality of AHP's decisions dictates the Fund Clients' success or failure. In addition, the business and prospects of AHP (and by extension, the Fund Clients) might be materially and adversely affected by the death or incapacity of any senior personnel of AHP. Further, if the Fund Clients managed by AHP were to incur substantial losses, the revenues of AHP may decline substantially. Such losses may impair AHP's ability to retain employees, provide the same level of service to the Fund Clients and continue operations.

Reliance on Certain Third Parties

Fund Clients are dependent upon their counterparties and certain service providers, such as the administrators of the Fund Clients. Errors are inherent in the operations of any business (including the business of the Fund Clients), and although AHP has adopted measures to prevent and detect errors by, and misconduct of, counterparties and service providers, and to transact with counterparties and service providers it believes to be reliable, such measures may not be effective in all cases. Errors or misconduct by such service providers could have a material adverse effect on the Fund Clients.

Co-Investments by Fund Clients and Other Third Party Investors

A Fund Client may co-invest initially in a particular loan, security or other investment at substantially the same time as other Fund Clients, in which case they would invest at substantially the same price. Though Fund Clients often invest in tandem with other Fund Clients, each Fund Client will not necessarily invest through the same entity or use the same counterparties. This may result in differences in price, terms and amount of leverage (if any), and associated transaction costs. In addition, there can be no assurance that each Fund Client would dispose of such an investment at substantially the same price or time as other Fund Clients due to many factors that may or may not be foreseeable at the time of investment, including availability of capital for follow-on investment and other needs, differing basis in the investment, differing financing terms applicable to different investments, time horizons applicable to different Fund Clients (including different investment periods) and their differing investment objectives and investment programs. Further, one Fund Client's determination to dispose of an investment could affect the timing of another Fund Client's disposal of that same investment. For example, such disposal could forfeit or diminish altogether certain rights or benefits (e.g., voting or other consent and control rights, board or committee representation, other rights attendant to superior equity or debt positions, etc.) held directly or indirectly by all Fund Clients participating in the investment due to aggregate holdings size requirements or other considerations or otherwise affect the long-term viability of the investment, resulting in the determination by the other Fund Clients that it is in their respective best interests to liquidate their positions as well even if the timing of such liquidation would not otherwise have been considered optimal. Further, to the extent a Fund Client is required to liquidate its interest in such investment to meet liquidity demands of its investors, such liquidation may have an adverse effect on the market value of the underlying investment.

In addition, Fund Clients may co-invest with third parties that are not Fund Clients through joint ventures or other SPVs. Such investments involve risks not present in investments where a third party is not involved, including the possibility that a co-venturer or partner of a Fund Client may at any time have economic or business interests or goals which are inconsistent with those of such Fund Client, or may be in a position to take action contrary to such Fund Client's investment objectives. In addition, a Fund Client in certain circumstances will be liable for actions of its co-venturers or partners. Furthermore, if a co-venturer defaults on its funding obligations, in certain circumstances such Fund Client will be required to make up the shortfall. Investments made with third parties in partnerships, joint ventures or other SPVs involve carried interest and/or other fees payable to such third-party co-venturers or partners. In those circumstances where such third parties involve a management group, such third parties receive compensation arrangements relating to such investments, including incentive compensation arrangements.

Co-Investment Opportunities

As discussed above under *Side-by-Side Management*, AHP, from time to time, offers certain investors in Fund Clients and/or other third parties the right or opportunity to co-invest with other investors and/or Fund Clients in certain portfolio investments, whether as a direct investment or as an indirect investment via a special purpose vehicle or other co-investment vehicle established by AHP to hold such co-investment. AHP generally is not obligated to arrange Co-Investment Opportunities for investors in any Fund Client, and investors and Fund Clients generally will not be entitled or have any right to participate

in such a Co-Investment Opportunity solely by reason of being a Fund Client or an investor in a Fund Client.

Investing in Pre-Existing Investments

In certain cases, Fund Clients invest in entities or assets in which other Fund Clients hold an investment. Such transactions may have an effect (positive or negative) on the market price of such investment. In circumstances in which a Fund Client makes an investment in an entity in which other Fund Clients have a pre-existing investment, the investing Fund Client would be expected to make business decisions relating to such investment (such as, for example, financing or hedging interest rate or currency risk) independently of the analogous decisions made with respect to such investment by such other Fund Clients. This may result in situations where a Fund Client may choose not to hedge certain risks that other Fund Clients do hedge, or the possibility that a Fund Client is exposed to risks of financing (for example, possible margin calls) on an investment when other Fund Clients are not.

Lender Liability Considerations and Equitable Subordination

Holders of debt securities may be subject to so-called “lender liability” claims by the issuer of the obligations. Such claims may be deemed to arise when an institutional lender has assumed a duty to the borrower (whether implied or contractual) of good faith and fair dealing or has assumed a degree of control over the borrower resulting in the creation of a fiduciary duty to the borrower or the other creditors or shareholders of the borrower, and then violated such duty.

In addition, U.S. common law principles, in certain circumstances, can form the basis for lender liability claims; if a lending institution (i) intentionally takes an action that results in the undercapitalization of a borrower to the detriment of other creditors of such borrower, (ii) engages in other inequitable conduct to the detriment of such other creditors, (iii) engages in fraud with respect to, or makes misrepresentations to, such other creditors, or (iv) uses its influence as a stockholder to dominate or control a borrower to the detriment of other creditors of such borrower, a court may elect to subordinate the claim of the offending lending institution to the claims of the disadvantaged creditor or creditors, a remedy called “equitable subordination.” Certain foreign jurisdictions may impose liability upon lenders or bondholders under factual circumstances similar to those described above, with consequences that may or may not be analogous to those described above. Fund Clients could be subject to claims from creditors of an obligor that the Fund Clients’ investments issued by such obligor should be equitably subordinated because of actions by the Fund Clients.

Dissolution Risks

Fund Clients may be required to liquidate their investments pursuant to the liquidity rights of their investors. In the case of a dissolution of a Fund Client, dissolution may require the selling of such Fund Client’s investments under circumstances which may negatively affect the Fund Client’s returns. Where a Fund Client is liquidated pursuant to its dissolution provisions, this may also negatively affect the value of other Fund Clients’ investments and/or the circumstances of their disposition and accordingly the Fund Clients’ returns.

Cybersecurity and Systems Risks

AHP relies extensively on computer programs, networks, devices and systems (and may rely on new systems and technology in the future) in connection with the Fund Clients’ investment activities, including, without limitation, to trade, clear and settle transactions, to evaluate certain investments based on real-time information, to monitor each Fund Client’s portfolio and net capital, and to generate risk management and other reports that are critical to oversight of each Fund Client’s activities. In addition, certain of the Fund Clients’, AHP’s and their affiliates’ operations interface with or depend on computer programs, networks,

devices and systems operated by third-parties, service providers and market counterparties and their sub-custodians and other service providers, and AHP may not be in a position to verify the risks or reliability of such third-party systems. These programs or systems may be subject to certain defects, failures, interruptions or security breaches, including, but not limited to, those caused by computer “worms,” viruses, power failures and social engineering schemes such as “phishing.” Although AHP has implemented software risk management systems, there can be no guarantee that AHP’s software systems are error free. Potential flaws in these software systems include but are not limited to flaws in design, implementation, configuration, communication, testing, compiling, or linking.

Cybersecurity and information security breaches can include unauthorized access to systems, networks, or devices; 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. AHP’s operations are highly dependent on each of these systems and the successful operation of such systems is often out of AHP’s control. Any such defect, failure or breach could have a material adverse effect on the Fund Clients, AHP and their affiliates. For example, systems failures, information security incidents or cybersecurity breaches could cause settlement of trades to fail, lead to inaccurate accounting, recording or processing of trades, and cause inaccurate reports, which may affect the ability of AHP to accurately monitor the Fund Clients’ investment portfolios and risks. Cybersecurity breaches may cause (i) disruptions and impact business operations, potentially resulting in financial losses to the Fund Clients; (ii) interference with AHP’s ability to calculate the value of a Fund Client’s investment; (iii) impediments to trading; (iv) the inability of AHP and other service providers to transact business; (v) violations of applicable privacy and other laws; (vi) regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs; as well as (vii) the inadvertent release of confidential information. Similar adverse consequences could result from system failures and cybersecurity breaches affecting (i) issuers of securities in which the Fund Clients invest; (ii) counterparties with which the Fund Clients engage in transactions; (iii) governmental and other regulatory authorities; (iv) exchange and other financial market operators, banks, brokers, dealers, insurance companies, and other financial institutions; and (v) other parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

Business Continuity and Disaster Recovery

The business operations of AHP may be vulnerable to disruption in the case of catastrophic events such as fires, natural disaster (e.g., floods and hurricanes), epidemics, pandemics, terrorist attacks or other circumstances resulting in property damage, network interruption and/or prolonged power outages. Although AHP has implemented measures to manage risks relating to these types of events, there can be no assurances that all contingencies can be planned for. In addition, such a disruption may materially and adversely impact the value and performance of investments in underlying portfolio companies and AHP’s ability to achieve Fund Clients’ investment objectives more generally. The extent of the impact of any such disruptions on AHP, Fund Clients, and any underlying portfolio company’s operational and financial performance will depend on many factors, including the duration and scope of such disruptions, the extent of any responsive measures implemented and the impact of such disruptions on overall economic activity, consumer confidence and economic markets, all of which are highly uncertain and cannot be predicted. The related risks of loss from such disruptions can be substantial and could have a material adverse effect on the Fund Clients.

Sanctions

Fund Clients are subject to laws which restrict the Fund Clients from dealing with persons that are located or domiciled in sanctioned jurisdictions. Accordingly, the Fund Clients require each subscriber to represent that the subscriber is not named on a list of prohibited entities and individuals maintained by the US Treasury Department’s Office of Foreign Assets Control or under European Union (“EU”) and United

Kingdom (“UK”) regulations (as extended to the Cayman Islands by statutory instrument), and is not operationally based or domiciled in a country or territory in relation to which current sanctions have been issued by the United Nations, EU or UK (collectively “Sanctions Lists”). Where the subscriber is on a Sanctions List, a Fund Client may be required to cease any further dealings with the subscriber’s interest in the Fund Client, until such sanctions are lifted or a license is sought under applicable law to continue dealings. In addition, the existence of such sanctions (or possibility thereof) may preclude the Fund Clients from acquiring or selling a position in an investment at a time when AHP otherwise believes it would be appropriate to do so.

Healthcare Sector-Focused Risks

Given the particular investment focus of AHP’s Fund Clients in the healthcare industry, and the long-term investment structure of its Fund Clients, such Fund Clients have particular exposure to a number of risks.

Risks Related to Investments in the Healthcare Industry

AHP’s Fund Clients make investments in the healthcare industry, which is subject to regulatory controls by one or more U.S. federal agencies and by various agencies of the states, localities, counties and countries in which they operate.

The nature and scope of healthcare regulations are generally subject to political forces and market considerations, and recently, the U.S. government and other governments have shown significant interest in pursuing healthcare reform. New laws, regulations and judicial decisions, or new interpretations of existing laws, regulations and decisions that relate to healthcare availability, methods of delivery or payment for products and services, or sales, marketing or pricing, may have a material negative impact on the performance of portfolio companies that operate in this industry. AHP cannot predict whether new legislation or regulations governing the healthcare industry will be enacted by legislative bodies or governmental agencies, or what effect such legislation or regulations might have. In addition, obtaining any necessary regulatory approval may be a lengthy and expensive process with an uncertain outcome. AHP and existing or prospective portfolio companies may be unable to obtain necessary regulatory approvals on a timely basis, if at all, and the failure to obtain approval could have an adverse effect on the success of the portfolio companies.

In the United States, healthcare providers often rely on governmental and other third-party payers, such as federal Medicare, state Medicaid and private health insurance plans to pay for all or a portion of the cost of the products and services they provide. Their ability to obtain appropriate coverage and reimbursement for their products and services from governmental and other third-party payers is critical to their success. The introduction of cost-containment incentives has and will continue to result in increased discounts and contractual adjustments to charges for products and services in the healthcare industry. Future legislative or administrative changes to the payment system in the United States could significantly reduce the amount of reimbursement available for the products and services provided by portfolio companies from governmental and other third-party payers or result in a denial of coverage entirely. There can be no assurance that a company’s proposed services will be considered cost-effective or that adequate third-party reimbursement will be available to enable a company to maintain price levels sufficient to realize an appropriate return on its investment.

There can be no guarantee that government’s role in the healthcare industry will not adversely impact the performance of AHP’s Fund Clients.

Further, companies in the healthcare industry are often subject to significant risks related to litigation and liability for damages in connection with their operations, or products and services offered. The litigation and liability environment in the healthcare industry is constantly evolving, and new judicial decisions and

legislative activity may increase exposure to any of these types of claims. Even if liability insurance is maintained by a portfolio company, it may not be adequate to cover potential liabilities.

Risks Related to Investments in Real Estate Related to the Healthcare Industry

Nature of Real Estate Investments Generally. AHP's Fund Clients may make direct or indirect investments in real estate or real-estate related business and assets related to the healthcare industry. Such investments will be subject to the risks inherent in the ownership and operation of real estate and real estate-related businesses and assets. The real estate industry is cyclical in nature, and a deterioration of real estate fundamentals may negatively impact the performance of AHP's Fund Clients. Additional risks include, but are not limited to, those associated with the burdens of ownership of real property, general and local economic conditions, changes in environmental and zoning laws, uninsured or uninsurable losses, regulatory limitations on rents, decreases in property values, changes in tenant demand, changes in supply of and demand for competing properties in a particular area, changes in housing policy, the financial resources of tenants, changes in availability of debt financing which may render the sale or refinancing of properties difficult or impracticable, changes in building and similar laws, energy and supply shortages, terrorist attacks, war, severe weather patterns, natural disasters and other "acts of God", changes in real property tax rates and operating expenses, changes in interest rates, and the availability of mortgage funds, which may render the sale or refinancing of properties difficult or impracticable, increased mortgage defaults, increases in borrowing rates, environmental liabilities, contingent liabilities on disposition of assets, and other factors that are beyond the control of AHP. Most of such investments will be difficult to value, and if AHP's opinion as to the value of such an investment is incorrect or not shared by other market participants, AHP's Fund Clients' returns will be adversely affected.

Risks of Acquiring Real Estate Property. AHP's Fund Clients' real estate-related investments are subject to various risks that may cause fluctuations in occupancy, rental rates, operating income and expenses or which may render the sale or financing of such investments' properties difficult or unattractive, which could adversely impact the investment returns.

All Development Stages. AHP's Fund Clients invest in securities representing projects in all stages of development, early-stage investments in undeveloped sites to late-stage conversion, renovation and operating projects. Each such stage has its own particular risks. While later-stage projects are often considered less speculative than earlier-stage investments, that is by no means always the case, and the reward/risk profiles of earlier-stage projects may be materially greater than later-stage transactions.

Risks Related to the Specific Use of the Property. Additional risks may be presented by the type and use of a particular commercial property. Furthermore, a commercial property may not readily be converted to an alternative use in the event that the operation of such commercial property for its original purpose becomes unprofitable for any reason. In such cases, the conversion of the commercial property to an alternative use would generally require substantial capital expenditures.

Environmental and Similar Liabilities. AHP's Fund Clients may be exposed to substantial risk of loss from claims arising from investments involving undisclosed or unknown environmental, health or occupational safety matters, or problems with inadequate reserves, insurance or insurance proceeds for such matters that have been previously identified.

Real Estate Securities. The real estate equity securities in which AHP's Fund Clients invest are subject to specific risks relating to the particular issuer of the securities and may be subject to the general risks of investing in subordinated real estate securities and the general risks of the real estate industry (described above). Developments in global and local financial and real estate markets over the past few years, and new developments in those markets, if they occur, may result in reductions in the current value of real property interests.

AHP's Fund Clients may purchase real estate securities in connection with privately negotiated transactions that are not registered under the relevant federal and state securities laws, resulting in a prohibition against their transfer, sale, pledge or other disposition except in a transaction that is exempt from the securities registration requirements of, or is otherwise in accordance with, those laws. As a result, AHP's ability to vary the Fund Client's portfolio in response to changes in economic and other conditions may be relatively limited.

Investment in Unregulated Investments. As AHP's Fund Clients may invest in shares or units or other assets of private equity real estate investment vehicles, such as joint ventures, operating companies and real estate investment trusts ("REITs", and such private equity real estate vehicles, "PERE Vehicles") which are not subject in their state of origin to regulatory oversight, investment in such assets will not necessarily afford the same level of investor protection as a regulated investment. Although the risks inherent to investments in PERE Vehicles (whether regulated or unregulated) are limited to the loss of the initial investment contributed by the relevant Fund Client, investors should nevertheless be aware that investments in unregulated PERE Vehicles are riskier than investments in regulated PERE Vehicles. AHP generally has no power to control the management of PERE Vehicles including investments, valuation, brokerage policies, and conflicts of interest.

Investing in REITs. The risks that Fund Clients' investments in REITs subject AHP's Fund Clients to are similar to those associated with direct ownership of real estate, including losses from casualty or condemnation, and changes in local and general economic conditions, supply and demand, interest rates, zoning laws, regulatory limitations on rents, property taxes and operating expenses.

Accumulation of Fees. As a result of AHP's Fund Clients investing in PERE Vehicles, investors therein may incur a duplication of fees and commissions (such as management fees, performance fees and all other custody and transaction fees, central administration fees and audit fees).

Inability to Realize Cash Flow. Although AHP's Fund Clients expect the PERE Vehicles to generate cash flow, any particular PERE Vehicles may not generate distributable cash flow until several years after its acquisition. It is also possible that a PERE Vehicle may never generate cash flow, and therefore any increase in value would only be realized by the Fund Client upon the disposition of the PERE Vehicle.

Ability to Exit PERE Vehicles. AHP's Fund Clients' ability to exit PERE Vehicles is dependent upon the ability of the manager of such PERE Vehicle to implement efficient and timely exit strategies, which may include a number of alternatives such as (i) publicly listing the PERE Vehicle or a portion of its underlying investments, (ii) disposing of or distributing investments, including individual assets, in a transaction or series of transactions, and (iii) merging or otherwise combining the PERE Vehicle, certain investments or individual assets with another entity.

Commercial/Business Risks related to PERE Vehicles. Investments by AHP's Fund Clients in certain PERE Vehicles may involve a high degree of business and financial risk. Such companies may be in an early stage of development, may not have a proven operating history, may be operating at a loss or have significant variations in operating results, may be engaged in a rapidly changing business, may require substantial additional capital to support their operations, to finance expansion or to maintain their competitive position, or may otherwise have a weak financial condition.

Investments in Distressed PERE Vehicles. AHP's Fund Clients may make investments in nonperforming, underperforming or other distressed PERE Vehicles (including PERE Vehicles involved in bankruptcy or other reorganization and liquidation proceedings) or undercapitalized PERE Vehicles, which may involve a high degree of financial risk, including loss of all or part of the investment.

Indemnification Obligations to PERE Vehicles. Subsequent to its withdrawal from PERE Vehicles, the investing Fund Client may have indemnification or reimbursement obligations to PERE Vehicles that survive beyond its withdrawal and exceed any unpaid holdback, with respect to liabilities, expenses, or other adjustments to the withdrawal value which relate to the period during which the Fund Client was invested in such PERE Vehicles (or, with respect to a partial withdrawal, that portion which has been withdrawn).

Risks Related to Debt Investments and Other Debt-Like Investments

Investments in Debt Securities Generally. AHP's Fund Clients may invest in debt securities and obligations which entail the typical credit risks (i.e., the risk of non-payment of interest and principal) and market risks (i.e., the risk that interest rates and other factors will cause the value of the instrument to decline).

Nature of Junior, Unsecured Investments. AHP's Fund Clients may invest in debt instruments that are unsecured and subordinated to substantial amounts of senior indebtedness, all or a significant portion of which may be secured.

Sub-Investment Grade and Unrated Debt Obligations. AHP's Fund Clients may make investments in instruments that may include capital leases or sub-investment grade debt obligations. Investments in the sub-investment grade categories are subject to greater risk of loss of principal and interest than higher-rated instruments and may be considered to be predominantly speculative with respect to the obligor's capacity to pay interest and repay principal. Such investments may also be considered to be subject to greater risk than those with higher ratings in the case of deterioration of general economic conditions.

Pay-in-Kind Bonds. AHP's Fund Clients may invest in pay-in-kind, or PIK, bonds. PIK bonds are bonds which pay interest through the issuance of additional debt or equity securities. Similar to zero coupon obligations, pay-in-kind bonds also carry additional risk as holders of these types of securities realize no cash until the cash payment date unless a portion of such securities is sold and, if the issuer defaults, the Fund Client may obtain no return at all on its investment.

Interest Rate and Extension Risk. The value of fixed rate debt and preferred stock securities can be expected to vary inversely with changes in prevailing interest rates. Fixed rate debt and preferred stock securities with longer maturities, which tend to produce higher yields, are subject to potentially greater capital appreciation and depreciation than securities with shorter maturities.

During periods of rising interest rates, the average life of certain fixed rate debt and preferred stock securities is extended because of slower than expected principal payments. This may lock in a below-market interest rate and extend the duration of these securities, especially mortgage-related securities, making them more sensitive to changes in interest rates. As a result, in a period of rising interest rates, these securities may exhibit additional volatility and additional loss in value. This is known as extension risk.

Convertible Securities. AHP's Fund Clients may invest in convertible securities. A convertible security is a bond, debenture, note, preferred stock or other security that may be converted into or exchanged for a prescribed amount of common stock or other equity security of the same or a different issuer within a particular period of time at a specified price or formula. A convertible security entitles the holder to receive interest paid or accrued on debt or the dividend paid on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Before conversion, convertible securities have characteristics similar to non-convertible income securities in that they ordinarily provide a stable stream of income with generally higher yields than those of common stocks of the same or similar issuers, but lower yields than comparable nonconvertible securities. The value of a convertible security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the issuer and other factors also may have an effect on the convertible

security's investment value. Convertible securities rank senior to common stock in a corporation's capital structure but are usually subordinated to comparable nonconvertible securities. Convertible securities may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument.

The value of convertible securities is influenced by both the yield on nonconvertible securities of comparable issuers and by the value of the underlying equity securities. The value of a convertible security viewed without regard to its conversion feature (i.e., strictly on the basis of its yield) is sometimes referred to as its "investment value." To the extent interest rates change, the investment value of the convertible security typically will fluctuate. At the same time, however, the value of the convertible security will be influenced by its "conversion value," which is the market value of the underlying equity securities that would be obtained if the convertible security were converted. Conversion value fluctuates directly with the price of the underlying equity securities. If the conversion value of a convertible security is substantially below its investment value, the price of the convertible security is governed principally by its investment value. To the extent the conversion value of a convertible security increases to a point that approximates or exceeds its investment value, the price of the convertible security will be influenced principally by its conversion value. A convertible security will sell at a premium over the conversion value to the extent investors place value on the right to acquire the underlying common stock while holding a fixed income security.

Holders of convertible securities generally have a claim on the assets of the issuer prior to the common stockholders but may be subordinated to other debt of the same issuer. A convertible security may be subject to redemption at the option of the issuer at a price established in a charter provision, indenture or other governing instrument pursuant to which the convertible security was issued. Certain convertible debt securities may provide a put option to the holder, which entitles the holder to cause the security to be redeemed by the issuer at a premium over the stated principal amount of the debt security under certain circumstances.

Preferred Stock. AHP's Fund Clients may make invest in preferred stock which may have characteristics of both debt and equity. Dividend payments to preferred stockholders may be suspended or cancelled if the issuer experiences liquidity difficulties and the principal paid for preferred stock is generally subordinate to the debt obligations of the issue. Preferred stocks are generally not entitled to meaningful covenant protection. Some preferred stocks may be non-cumulative, which means that the issuer does not ever have to declare or pay dividends on the stock or make up any missed dividends. Consequently, investments in preferred stock carries significant risk of loss of principal and current income.

AHP's Fund Clients may also invest in leveraged loans, high yield securities and other unsecured investments, each of which involves a higher degree of risk than senior secured loans.

Credit Ratings. Credit ratings of assets represent the rating agencies' opinions regarding their credit quality and are not a guarantee of quality. A credit rating is not a recommendation to buy, sell or hold assets and may be subject to revision or withdrawal at any time by the assigning rating agency. In the event that a rating assigned to any corporate debt obligation is lowered for any reason, no party is obligated to provide any additional support or credit enhancement with respect to such corporate debt obligation.

Prepayment Risk. The value of AHP's Fund Clients' assets may be affected by prepayment rates on loans. Pre-payment rates are influenced by changes in interest rates and a variety of economic, geographic and other factors beyond AHP's control.

Risks in Effecting Operating Improvements

In some cases, the success of AHP's investment strategy depends, in part, on the ability of AHP to restructure and effect improvements in the operations of a portfolio company. The activity of identifying and implementing restructuring programs and operating improvements at portfolio companies entails a high degree of uncertainty. There can be no assurance that AHP will be able to successfully identify and implement such restructuring programs and improvements.

Limited Operating History of Portfolio Companies

The operations of the portfolio companies depend on the successful development and sales of each portfolio company's respective product offerings and services and the customers' experience. Certain portfolio companies may have limited operating histories with their respective products and services for which AHP can use to evaluate their performance and prospects.

Control Position Risk

Fund Clients may acquire control or exercise influence over management and the strategic direction of a portfolio company. The exercise of control over a company imposes additional risks of liability in circumstances where the limited liability characteristic of business operations of the company may be ignored. In a U.S. court ruling, the court held that a private equity fund was liable for the pension withdrawal liabilities of one of its portfolio companies because the private equity fund was engaged in a "trade or business" through its management and operational control of its portfolio company. Thus, the exercise of control over a portfolio company by AHP's Fund Clients could expose the assets of the Fund Clients to claims by such portfolio company and/or its executives, employees, pension beneficiaries, security holders and creditors and liability for environmental damage or clean-up obligations, product defects, failure to supervise management, pension and other fringe benefits, violation of laws and governmental regulations (including securities laws), violation of fiduciary duties to minority owners and other types of liability.

Investment Platforms

A Fund Client, alone or co-investing alongside third parties may create or acquire companies that serve as a platform for investment in a particular sector, geographic area or other niche (such arrangements, "Investment Platforms"). In other cases, AHP may recruit a management team to pursue a new Investment Platform expected to lead to the formation of a future Investment Platform. AHP's Fund Clients may also form a new portfolio company and recruit a management team to build the Investment Platform through acquisitions and organic growth. AHP's Fund Clients or the Investment Platform, as applicable, will bear the expenses of such management team, including any overhead expenses, employee compensation, diligence expenses or other related expenses in connection with backing the management team or building out the Investment Platform. Such expenses may be borne directly by the Fund Clients as operating expenses (or broken-deal expenses, if applicable) or indirectly as the Fund Clients bear the start-up and ongoing expenses of the newly formed Investment Platform. In certain cases, the services provided by such management team may overlap with the services provided by AHP to the Fund Clients.

Pension Liabilities

AHP's Fund Clients could face risk of loss from employee pension-related liabilities arising from investments in portfolio companies that maintain or contribute to defined benefit pension plans in the United States and certain other jurisdictions. Under certain circumstances, U.S. courts have held (and certain non-U.S. laws provide) that certain shareholders may be responsible for satisfying certain pension liabilities incurred by their direct and indirect portfolio company investments (including liabilities associated with the portfolio company's withdrawal from a pension plan). While U.S. law is unsettled regarding the circumstances under which an investment fund could be responsible for these types of pension liabilities

and AHP considers (among many factors) potential pension liabilities in determining whether to invest in a particular portfolio company, it is possible that the Fund Clients could become subject to pension-related liabilities of portfolio companies in which they invest and that such pension liabilities could exceed the value of such investment.

Credit Support

AHP's Fund Clients may make contingent funding commitments to its portfolio companies and provide credit support for such obligations. Such credit support may take the form of guarantees, letters of credit or pledges of a portion of the capital commitments to a lender or other counterparty. Such funding commitments may be secured by an assignment of a Fund Client's general partner's right to draw down capital from investors. Utilization of credit support will result in fees, expenses and interest costs to the Fund Clients, and may result in an under-utilization of Fund Clients' capital.

Risks Relating to Due Diligence and Conduct at Portfolio Companies; Fraud

Before AHP's Fund Clients make an investment, AHP conducts such due diligence as it deems reasonable and appropriate based on the facts and circumstances applicable to the investment. Due diligence may entail marketing studies, business plan development, evaluation of important and complex business, financial, tax, accounting and legal issues as well as background investigations of individuals and feasibility and technical studies. Outside professionals, experts, consultants, legal advisors, accountants, investment banks and other third parties may be involved in the due diligence process to varying degrees depending on the type of investment. The involvement of such third-parties may present a number of risks primarily relating to reduced control of the functions that are outsourced and may entail significant third party expenses, which is borne by AHP's Fund Clients.

Instances of fraud, material misrepresentations or omissions, professional negligence and other deceptive practices committed by any seller of securities or assets of a portfolio company or such seller's representatives, by a portfolio company or any of its affiliates, members of senior management, employees, officers or directors, or by any other third party may undermine AHP's due diligence efforts with respect to such companies and, if such fraud or other action or omission occurs, AHP's Fund Clients may suffer a material loss of capital and the value of the Fund Clients' investments may be adversely impacted. AHP's Fund Clients rely upon the accuracy and completeness of representations made by various persons in the due diligence process, and cannot guarantee such accuracy or completeness.

Expedited Transactions

Investment analyses and decisions by AHP may be undertaken on an expedited basis in order for AHP's Fund Clients to take advantage of investment opportunities. In such cases, the information available to AHP's Fund Clients at the time of an investment decision may be limited, and the Fund Clients may not have access to the detailed information necessary for a full evaluation of the investment opportunity.

Distributions in Kind

Although, under normal circumstances, AHP's Fund Clients make distributions in cash, cash equivalents or marketable securities, it is possible that under certain circumstances (including upon the dissolution of such Fund Clients) distributions may be made in kind and could consist of securities for which there is no readily available public market.

Reinvestment

Under certain circumstances as further described in the offering document of AHP's Fund Clients, certain proceeds distributable (or previously distributed) to the investors may be retained and reinvested (or

recalled for reinvestment) by the Fund Client or used (or recalled for use) by the Fund Client for any other proper purpose. Amounts available for recall will be restored to the investors' respective unfunded capital commitments. Accordingly, an investor may be required to fund for investments or expenses during the term of the Advisory client in an aggregate amount that significantly exceeds its capital commitment.

Risks upon Dispositions of Investments

In connection with the disposition of an investment in a portfolio company, each of AHP's Fund Clients may be required to make representations about the business and financial affairs of itself or such portfolio company typical of those made in connection with the sale of a business. It may also be required to indemnify the purchasers of such investment to the extent that any such representation turns out to be inaccurate. These arrangements may result in contingent liabilities of such Fund Clients, which might ultimately have to be funded by the investors (either out of unfunded capital commitments or a return of distributions) to the extent that such contingent liabilities exceed the reserves and other assets of such Fund Client.

Recourse to the Fund Clients' Assets

AHP's Fund Clients' assets are available to satisfy all liabilities and other obligations of any such Fund Client. If the Fund Client itself becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to the Fund Client's assets generally and not be limited to any particular asset, such as the investment giving rise to the liability.

Need for Follow-On Investments

Following its initial investment in a given portfolio company, a Fund Client may decide to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a successful portfolio company. There is no assurance that the Fund Client will make follow-on investments or that the Fund Client will have sufficient funds to make all or any of such investments. Any decision by AHP not to make follow-on investments or its inability to make such investments may have a substantial negative effect on a portfolio company in need of such an investment or may result in a lost opportunity for the Fund Client to increase its participation in a successful operation.

Difficulty in Valuing Investment Portfolio

AHP or its affiliate values the investments of AHP's Fund Clients from time to time at their fair market values. Any assets that are publicly traded securities for which market prices are readily available will be valued based on their trading prices; however, for almost every portfolio company, there will likely be no public market for its securities. Thus, the valuation of such positions inherently is highly subjective and imprecise and requires the use of techniques that are costly and time consuming and ultimately provide no more than an estimate of value.

Fund Client investors and prospective investors in Fund Clients are generally provided with a confidential private placement memorandum, offering circular or other offering documents of the respective Fund Client that provide a detailed description of the material risks related to an investment in the Fund Client. Such investors are advised to review carefully all risk factors set forth in such documents.

C. If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.

In addition to the types of securities addressed in Item 8.B., above, AHP makes recommendations with respect to the following:

Fixed Income Obligations

A Fund Client's investments in fixed income obligations are subject to the risk of an issuer's ability to meet principal and interest payments on the obligation (credit risk), and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (market risk). Changes in interest rates may cause a decline in the market value of an investment. With bonds and other fixed income securities, a rise in interest rates typically causes a fall in values, while a fall in interest rates typically causes a rise in values. Bonds and other fixed income securities generally involve less market risk than stocks. However, the risk of bonds can vary significantly depending upon factors such as the issuer and maturity. For example, the issuer of a security or the counterparty to a contract may default or otherwise become unable to honor a financial obligation. The bonds of some companies may be riskier than the stocks of others.

Foreign Securities

Fund Clients invest in securities and other instruments of foreign corporations and foreign countries. Investing in such securities involves certain considerations not usually associated with investing in securities of U.S. companies or the U.S. government, including, among other things: political and economic considerations, such as greater risks of expropriation, nationalization and general social, political and economic instability; the smaller size of the securities markets in such countries and the lower volume of trading, resulting in potential lack of liquidity and in price volatility; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; imposition of withholdings and other taxes; and certain government policies that may restrict the Fund Client's investment opportunities. In addition, accounting and financial reporting standards that prevail in many foreign countries are not equivalent to U.S. standards and, consequently, less information may be available to investors in companies located in foreign countries than is available to investors in companies located in the U.S. There is also less regulation, generally, of the securities markets in many foreign countries, even developed countries, than in the U.S.

Convertible Securities

Fund Clients invest in convertible securities. Convertible securities provide higher yields than the underlying equity securities, but generally offer lower yields than non-convertible securities of similar quality. The value of convertible securities fluctuates, as do bonds, in relation to changes in interest rates and, in addition, fluctuates in relation to the underlying common stock.

Derivatives

In limited circumstances, Fund Clients may invest in derivative financial instruments. Derivative financial instruments include futures, options, interest rate swaps, rate locks, forward currency contracts and credit derivatives such as credit default swaps. In addition, Fund Clients from time to time utilize both exchange-traded and over-the-counter futures, options and contracts for differences, as part of its investment strategy and for hedging purposes, as well as other derivatives. Regulatory restraints may restrict the instruments that a Fund Client may trade. Such derivative instruments are highly volatile, involve certain special risks and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further losses exceeding any margin

deposited. Further, when used for hedging purposes there may be an imperfect correlation between these instruments and the investments or market sectors being hedged.

The trading of over-the-counter derivatives subjects a Fund Client to a variety of risks including: (i) counterparty risk, (ii) basis risk, (iii) interest rate risk, (iv) settlement risk, (v) legal risk, and (vi) operational risk. Counterparty risk is the risk that one of a Fund Client's counterparties might default on its obligation to pay or perform generally on its obligations. Basis risk is the risk that the normal relationship between two prices might move in opposite directions. Interest rate risk is the general risk associated with movements in interest rates. Settlement risk is the risk that a settlement in a transfer system does not take place as expected. Legal risk is the risk that a transaction proves unenforceable in law or because it has been inadequately documented. Operational risk is the risk of unexpected losses arising from deficiencies in a firm's management information, support and control systems and procedures. Transactions in over-the-counter derivatives may involve other risks as well, as there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk.

Options

Fund Clients engage in the trading of options. Such trading involves risks substantially similar to those involved in trading margined securities in that options are speculative and highly leveraged. Specific market movements of the securities underlying an option cannot accurately be predicted. The purchaser of an option is subject to the risk of losing the entire purchase price of the option. The writer of an option is subject to the risk of loss resulting from the difference between the premium received for the option and the price of the security underlying the option which the writer must purchase or deliver upon exercise of the option.

Debt Securities

Fund Clients invest in unrated or below investment grade debt securities which are subject to greater risk of loss of principal and interest than higher-rated debt securities. Fund Clients invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. Fund Clients invest in debt securities which are not protected by financial covenants or limitations on additional indebtedness. Lower or unrated securities are more likely to react to developments affecting market and credit risk than are more highly rated securities, which primarily react to movements in the general level of interest rates. Investors should be aware that ratings are relative and subjective and are not absolute standards of quality. Subsequent to its purchase by a Fund Client, an issue of securities may cease to be rated or its rating may be reduced. Neither event will require sale of such securities by a Fund Client, although AHP will consider such event in its determination of whether a Fund Client should continue to hold the securities. The market value of securities in lower-rated categories is more volatile than that of higher quality securities. In addition, a Fund Client may have difficulty disposing of certain of these securities because there may be a thin trading market. The lack of a liquid secondary market for certain securities may have an adverse impact on a Fund Client's ability to dispose of such securities and may make it more difficult for a Fund Client to obtain accurate market quotations for purposes of valuing the Fund Client and calculating its net asset value.

Fund Client investors and prospective investors in Fund Clients are generally provided with a confidential private placement memorandum, offering circular or other offering documents of the respective Fund Client that provide a detailed description of the material risks related to an investment in the Fund Client. Such investors are advised to review carefully all risk factors set forth in such documents.

Item 9 – Disciplinary Information

If there are legal or disciplinary events that are material to a *client's* or prospective *client's* evaluation of your advisory business or the integrity of your management, disclose all material facts regarding those events.

AHP is obligated to disclose legal or disciplinary events that would be material to a client's or prospective client's evaluation of AHP's advisory business or the integrity of its management. AHP does not have any such legal or disciplinary events to report.

Item 10 – Other Financial Industry Activities and Affiliations

A. If you or any of your *management persons* are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.

Neither AHP nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

B. If you or any of your *management persons* are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.

Neither AHP nor any of their management persons are registered with the Commodity Futures Trading Commission (“CFTC”) as a commodity pool operator or is a member of the National Futures Association (“NFA”).

C. Describe any relationship or arrangement that is material to your advisory business or to your *clients* that you or any of your *management persons* have with any *related person* listed below. Identify the *related person* and if the relationship or arrangement creates a material conflict of interest with *clients*, describe the nature of the conflict and how you address it.

1. broker-dealer, municipal securities dealer, or government securities dealer or broker
2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)
3. other investment adviser or financial planner
4. futures commission merchant, commodity pool operator, or commodity trading advisor
5. banking or thrift institution
6. accountant or accounting firm
7. lawyer or law firm
8. insurance company or agency
9. pension consultant
10. real estate broker or dealer
11. sponsor or syndicator of limited partnerships.

Affiliates of AHP serve as general partner of Fund Clients organized as limited partnerships.

AHP’s affiliates and employees from time to time purchase interests in certain Fund Clients, and in some situations investments by such parties are subject to, and in other situations investments by such parties are not subject to, the management fees or performance-based fees described in Item 5, above. The offering memorandum of each Fund Client that is provided to each potential investor discloses this fact.

With respect to Item 10.C.11, AHP and its related persons have established a number of limited partnerships and companies suitable for investment by sophisticated individuals and entities meeting certain eligibility requirements.

D. If you recommend or select other investment advisers for your *clients* and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.

Not applicable.

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

A. If you are an SEC-registered adviser, briefly describe your code of ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your code of ethics to any *client* or prospective *client* upon request.

AHP has established a variety of restrictions, procedures and disclosures designed to address potential conflicts of interest arising between and among Fund Client accounts as well as between Fund Client accounts and AHP and its personnel.

AHP strives to adhere to the highest industry standards of integrity, professionalism and trust. To this end, AHP has adopted a Code of Ethics (the “Code”) that generally requires AHP Covered Persons to comply with all applicable federal securities laws, place the interests of clients first, avoid conflicts of interest, not take inappropriate advantage of the Covered Person’s position, adhere to certain restrictions with respect to the receipt and giving of gifts and safeguard confidential information. Each such Covered Person is required to report to the Chief Compliance Officer or General Counsel any known or suspected violations of the Code or law.

Each newly hired Covered Person receives a copy of the Code and is required to certify that he or she has read and understands it. Training is provided for Covered Persons with respect to the Code and their duties under it. On an annual basis, each such Covered Person must certify that he or she has read and understands the Code, has complied with its provisions and has disclosed, pre-cleared and arranged for the reporting of all transactions in securities consistent with the requirements of the Code. The Code governs the conduct of AHP and its personnel.

Personal Trading

The Code also places restrictions on the personal trading of Covered Persons, including the requirement that Covered Persons arrange to have duplicates of certain brokerage statements or a quarterly holdings report provided to AHP. The Chief Compliance Officer (or his designee) reviews and compares all reported personal securities transactions against transactions indicated on the Covered Person’s brokerage statements or holdings reports and the transactions of the Fund Clients in an effort to ensure that personal trading by Covered Persons is being conducted in a manner consistent with the Code. The Chief Compliance Officer must make available duplicate copies of their brokerage statements or a quarterly holdings report for review by the Managing Partner or such delegated persons. Except with respect to certain exempted transactions, no AHP Covered Person may purchase or sell any security without first obtaining pre-clearance pursuant to the approval process set forth in the Code. Certain pre-clearance requests meeting written standards set forth in the Code will generally be approved within two business days following the date of request. Requests which do not qualify for automatic approval are reviewed and approved by the Chief Compliance Officer, with potential for consultation with senior management or outside consultants. In addition, AHP enforces a 30-day minimum holding period for covered personal securities transactions.

AHP monitors adherence to the personal trading policy via an automated system that seeks to compare personal trading activity with the submission and approval of pre-clearance requests. AHP cross-checks the personal account statements with the approved trades list to ensure that all executed trades requiring pre-clearance were pre-approved.

Insider Trading/Material Non-Public Information; Privacy

AHP maintains an Insider Trading Policy that includes policies and procedures prohibiting the use of material non-public information that are designed to prevent the misuse of material nonpublic information by AHP and its Covered Persons. In accordance with these policies, to prevent trading of public securities based on material non-public information, AHP maintains, regularly updates and makes available on its

intranet site a “restricted” securities list of companies about which non-compliance Covered Persons have, or are expected to have, material non-public information or which are otherwise restricted. Generally, all AHP Covered Persons and Fund Clients are prohibited from trading securities included on the restricted securities list.

AHP has a separate privacy and data security policy, including a cybersecurity policy, designed to protect the security, confidentiality, and integrity of non-public, personal information of its clients and investors in such clients.

Political Contributions

AHP has policies in effect which generally restrict political contributions and related activities by its covered associates. In order to ensure compliance with applicable SEC rules and other applicable legal and regulatory requirements, a covered associate generally must obtain pre-clearance from the Chief Compliance Officer before the covered associate makes a contribution (whether it be a monetary contribution or a contribution of goods or services) to a political candidate, government official, political party or political action committee.

AHP will provide a complete copy of the Code to any investor in or prospective investor in a Fund Client upon request. Such requests may be addressed to Rick Horne, Chief Compliance Officer, at 212-905-5658 and/or LegalNotices@AHPartners.com.

B. If you or a *related person* recommends to *clients*, or buys or sells for *client* accounts, securities in which you or a *related person* has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

Examples: (1) You or a *related person*, as principal, buys securities from (or sells securities to) your *clients*; (2) you or a *related person* acts as general partner in a partnership in which you solicit *client* investments; or (3) you or a *related person* acts as an investment adviser to an investment company that you recommend to *clients*.

As described above in Item 10, AHP serves as the investment manager to its Fund Clients, and its related person serves, directly or through a subsidiary controlled by or under common control with AHP, as general partner of Fund Clients organized as limited partnerships.

AHP may from time to time recommend that certain of its Fund Clients invest a portion of their investable assets in other Fund Clients, typically in connection with a master-feeder (or mini-master) fund structure. Such arrangements are described in the offering memoranda or other governing documents of Fund Clients. AHP and its related persons also recommend interests in Fund Clients to prospective investors.

From time to time, AHP causes a Fund Client to buy or sell securities directly from or to another Fund Client. With respect to any such transaction (i) the transaction must be effected at a price that is fair to Fund Clients on both sides of the trade, (ii) neither AHP nor any of its affiliates may receive any compensation for effecting the trade and (iii) the trade must be in the best interests of both Fund Clients. It is AHP’s policy to provide notice of any such transaction to the governing board of the Fund Clients involved therein.

AHP’s employees or other related persons from time to time purchase interests in one or more Fund Clients, and in some situations investments by such parties are subject to, and in other situations investments by such parties are not subject to, the management fees and performance-based fees described above in Item 5. The offering memorandum of the applicable Fund Client provided to each potential investor discloses this fact.

From time to time, AHP engages in principal transactions (i.e., transactions where an adviser, acting as principal for its own account or that of an affiliate deemed proprietary to AHP, buys from or sells any security to a client's account). Under certain circumstances, a cross trade with a fund in which AHP and/or its controlling persons hold in excess of 25% of the interests may be deemed to be a principal transaction under Section 206(3) of the Advisers Act. The Chief Compliance Officer (or her designee) may approve such deemed principal transactions provided that any such transaction is effected in compliance with Section 206(3) of the Advisers Act. With respect to any such transaction, prior to its completion, AHP must disclose to the client in writing the capacity in which AHP is acting (and any other requisite disclosures pursuant to Section 206(3) of the Advisers Act) and obtain the client's consent to the transaction. In cases where the client is a Fund Client, such disclosure may be made to, and consent to the transaction may be obtained from, (i) the board of directors or board of managers of the Fund Client (or general partner of the Fund Client), as applicable, provided that (a) the applicable board includes one or more members who are independent of AHP, and (b) the consent of the board includes the unanimous consent of all such independent members; or (ii) if the Fund Client does not have a board of directors or board of managers, an independent third-party and/or advisory committee made up of certain investors in such Fund Client (or the representatives of such investors). In addition to the foregoing, with respect to certain Fund Clients (including each Fund Client), (i) a committee made up of representatives of certain investors in each such Fund Client is authorized to consider and consent to certain transactions set forth in the offering documents of each such Fund Client, and (ii) the offering documents of each such Fund Client specifically set forth certain transactions which are approved by each investor in such Fund Client at the time of its investment in the Fund Client.

The fact that AHP's related persons, in their capacities as general partners of certain Fund Clients, and AHP's employees and other related persons have significant financial ownership interests in certain Fund Clients creates a potential conflict in that it could cause AHP to make different investment decisions than it would if such parties did not have such financial ownership interests. AHP may have an incentive to favor accounts in which such persons have an interest with respect to trading opportunities, trade allocation and allocation of investment opportunities.

AHP has adopted a policy intended to detect and prevent conflicts of interest that arise when AHP's related persons own, buy or sell securities. AHP's personal securities transaction pre-clearance and reporting requirements are described in Item 11.A.

Additional conflicts are present in connection with the receipt by AHP or an affiliate of management and performance-based fees. Except inasmuch as performance affects asset size and thus the amount of the management fee, management fees are payable without regard to the overall success or income earned by Fund Clients and therefore may create an incentive on the part of AHP to raise or otherwise increase assets under management to a higher level than would be the case if AHP were receiving a lower or no management fee. Performance-based fees also create certain inherent conflicts of interest with respect to AHP's management of assets. Specifically, AHP's entitlement to a performance-based fee in managing one or more accounts may create an incentive for it to make investments that are riskier or more speculative than would be the case in the absence of such performance-based compensation.

C. If you or a *related person* invests in the same securities (or related securities, e.g., warrants, options or futures) that you or a *related person* recommends to *clients*, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.

AHP's Covered Persons are permitted to make securities transactions in their personal accounts, subject to certain limitations (including those discussed above in Item 11.A). This presents potential conflicts in that a Covered Person could make improper use of information regarding a Fund Client's holdings or future transactions or research paid for by the Fund Clients. AHP manages the potential conflicts of interest

inherent in Covered Person trading by strict enforcement of the Code, which includes pre-clearance and reporting requirements as described above in Item 11.A.

D. If you or a *related person* recommends securities to *clients*, or buys or sells securities for *client* accounts, at or about the same time that you or a *related person* buys or sells the same securities for your own (or the *related person's* own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

Please refer to Items 11.A, 11.B and 11.C.

Item 12 – Brokerage Practices

A. Describe the factors that you consider in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (e.g., commissions).

- 1. Research and Other Soft Dollar Benefits. If you receive research or other products or services other than execution from a broker-dealer or a third party in connection with *client* securities transactions (“soft dollar benefits”), disclose your practices and discuss the conflicts of interest they create.**
 - a. Explain that when you use *client* brokerage commissions (or markups or markdowns) to obtain research or other products or services, you receive a benefit because you do not have to produce or pay for the research, products or services.**
 - b. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving the research or other products or services, rather than on your *clients*’ interest in receiving most favorable execution.**
 - c. If you may cause *clients* to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up), disclose this fact.**
 - d. Disclose whether you use soft dollar benefits to service all of your *clients*’ accounts or only those that paid for the benefits. Disclose whether you seek to allocate soft dollar benefits to *client* accounts proportionately to the soft dollar credits the accounts generate.**
 - e. Describe the types of products and services you or any of your *related persons* acquired with *client* brokerage commissions (or markups or markdowns) within your last fiscal year.**
 - f. Explain the procedures you used during your last fiscal year to direct client transactions to a particular broker-dealer in return for soft dollar benefits you received.**

The Fund Clients generally purchase securities in privately negotiated transactions and do not utilize securities brokers-dealers on an ongoing basis. However, AHP may from time to time recommend that a Client Fund purchase or sell securities through the use an intermediary. Under such circumstances, AHP may cause a Client Fund to use specific intermediaries to facilitate such transactions and will seek to obtain best execution (if applicable). AHP does not receive research or other products or services from intermediaries.

- 2. Brokerage for Client Referrals. If you consider, in selecting or recommending broker-dealers, whether you or a related person receives client referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.**
 - a. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving client referrals, rather than on your *clients*’ interest in receiving most favorable execution.**
 - b. Explain the procedures you used during your last fiscal year to direct client transactions to a particular broker-dealer in return for client referrals.**

In selecting broker-dealers and negotiating the fees to be paid to them, AHP takes into consideration the factors described in Item 12.A.1 above. AHP does not consider, in selecting or recommending broker-dealers, whether AHP or its related persons receive client referrals from a broker-dealer or third party.

As part of its broker selection analysis, AHP considers a broker-dealer's ability to provide AHP with the opportunity to participate in capital introduction events sponsored by the broker-dealer and to refer investors to Fund Clients. AHP does not, however, select broker-dealers solely, or even largely, based upon such factors and does not direct Fund Client transactions to a particular broker-dealer in return for referrals. AHP recognizes that it may have an incentive to favor broker-dealers that provide capital introduction services to AHP or refer investors to Fund Clients. AHP receives asset-based fees and accordingly would receive a financial benefit from the increase in assets under management that results from capital introduction services and investor referrals. Similarly, AHP receives a performance-based fee and accordingly could receive a larger performance-based fee in any given profit period as a result of an increase in assets under management that results from capital introduction services and investor referrals. The potential for higher fees presents a potential conflict in that AHP has an incentive to favor broker-dealers that provide services that have a direct impact on fees even if those broker-dealers rate unfavorably in other categories that are part of AHP's broker selection analysis. AHP addresses this potential conflict through its broker selection review process, which requires that key AHP individuals look at a broker-dealer's performance in a wide variety of categories. Such reviews allow AHP to determine when broker-dealers that outperform in capital introduction and investor referrals underperform in other areas. In such situations, AHP may provide heightened scrutiny to a relationship with a broker-dealer.

3. Directed Brokerage.

- a. If you routinely recommend, request or require that a client direct you to execute transactions through a specified broker-dealer, describe your practice or policy. Explain that not all advisers require their clients to direct brokerage. If you and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, describe the relationship and discuss the conflicts of interest it presents. Explain that by directing brokerage you may be unable to achieve most favorable execution of client transactions, and that this practice may cost clients more money.**
- b. If you permit a client to direct brokerage, describe your practice. If applicable, explain that you may be unable to achieve most favorable execution of client transactions. Explain that directing brokerage may cost clients more money. For example, in a directed brokerage account, the client may pay higher brokerage commissions because you may not be able to aggregate orders to reduce transaction costs, or the client may receive less favorable prices.**

AHP has no directed brokerage arrangements.

B. Discuss whether and under what conditions you aggregate the purchase or sale of securities for various *client* accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to *clients* of not aggregating.

There are no purchase or sales orders of securities that are aggregated for various client accounts.

With respect to allocation of limited investment opportunities, AHP maintains written allocation guidelines that are intended to ensure that investment opportunities are allocated on a fair and equitable basis among Fund Clients. Such allocation guidelines set forth (i) methods of investment opportunity purchase and sale allocations which vary according to the liquidity profile of each investment opportunity and certain risk parameters applicable to each Fund Client and (ii) allocation methods which determine how partially-filled orders are divided among Fund Clients. Please see Item 6 for additional information regarding AHP's policy with respect to allocation of investment opportunities.

Item 13 – Review of Accounts

A. Indicate whether you periodically review *client* accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the *supervised persons* who conduct the review.

The team members of AHP generally review the portfolios of each Fund Client on a regular and ongoing basis to determine if they are consistent with applicable investment objectives and restrictions. The team members will also consider whether the portfolio should change investments based on various factors, including but not limited to, changes in company fundamentals, advisers, key industry personnel, analysts, news and press releases, general market conditions, and assessment of the financial consequences of world events derived from general information or such other material as is appropriate under the particular circumstances.

B. If you review *client* accounts on other than a periodic basis, describe the factors that trigger a review.

Please see Item 13.A.

C. Describe the content and indicate the frequency of regular reports you provide to *clients* regarding their accounts. State whether these reports are written.

Shareholders and limited partners of Fund Clients generally receive unaudited monthly or quarterly written reports describing the performance of such Fund Clients and annual reports containing audited financial statements and other indicia of performance. Limited partners in Fund Clients also receive an investor report, including a schedule of portfolio companies and a partner's capital statement from the Fund Client in which they are invested on a quarterly and annual basis.

Fund Client investors and prospective investors in Fund Clients should refer to the private placement memorandum, offering circular or other offering documents of the respective Fund Client for detailed information with respect to the reports they will receive in connection with an investment in such Fund Client. The information contained herein is a summary only and is qualified in its entirety by such documents.

Item 14 – Client Referrals and other Compensation

A. If someone who is not a *client* provides an economic benefit to you for providing investment advice or other advisory services to your *clients*, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.

AHP does not receive any monetary compensation or other economic benefit from a non-client in connection with the provision of investment advisory services.

B. If you or a *related person* directly or indirectly compensates any *person* who is not your *supervised person* for *client* referrals, describe the arrangement and the compensation.

From time to time, AHP enters into arrangements with third party marketers whereby AHP compensates third parties who introduce Fund Client investors to AHP. Such compensation typically takes the form of a percentage of the management fees, performance fees, and performance allocations received by AHP or its affiliates from such investors. The fees paid to such marketers are borne by AHP, and are not borne by Fund Clients, and in any event such fee arrangements are disclosed to applicable Fund Clients and investors therein. The terms that third party marketer-sourced investors receive are similar to the standard terms that internally-sourced investors receive. Such arrangements are conducted in a manner that is consistent with Rule 206(4)-1 under the Advisers Act and relevant SEC guidance.

Item 15 – Custody

If you have *custody* of *client* funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your *clients*, explain that *clients* will receive account statements from the broker-dealer, bank or other qualified custodian and that *clients* should carefully review those statements. If your *clients* also receive account statements from you, your explanation must include a statement urging *clients* to compare the account statements they receive from the qualified custodian with those they receive from you.

Most of AHP's Fund Client relationships are structured so that AHP is deemed to have custody of the assets of such Fund Clients under federal securities laws. Each such Fund Client is audited annually by a Public Company Accounting Oversight Board ("PCAOB") registered and regulated public accounting firm, and each such Fund Client investor in such Fund Client receives annual audited financial statements. Except as permitted by the Advisers Act, cash and securities of the Fund Clients are maintained in accounts established with qualified custodians, as defined in Rule 206(4)-2 under the Advisers Act (each, a "Qualified Custodian"). Such accounts are in the name of the particular Fund Client for the purpose of making investments, as applicable.

Item 16 – Investment Discretion

If you accept *discretionary authority* to manage securities accounts on behalf of *clients*, disclose this fact and describe any limitations *clients* may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).

AHP provides investment management and supervisory services primarily on a discretionary basis on behalf of its Fund Clients. As described in Item 4.C, the advisory services provided by AHP are tailored to the investment objectives, investment strategy and investment restrictions, if any, as set forth in the governing documents of Fund Clients and/or the investment management agreement entered into by AHP with such clients. AHP does not tailor its advisory services to the individual needs of investors in Fund Clients and, except as specifically provided in a Side Letter, as described in Item 4.C, does not accept investment restrictions imposed by Fund Client investors.

The offering documents of the Fund Clients and certain Side Letters permit the excuse and/or exclusion of a particular investor from participating in a particular investment in certain limited circumstances, but AHP generally does not otherwise accept investment restrictions imposed by Fund Client investors.

Fund Client investors typically execute a subscription agreement and governing documents of the Fund Client in connection with their investment in the Fund Client that each contain a power of attorney that generally grants an affiliate of AHP certain powers related to the orderly administration of the affairs of the Fund Client.

Please see Item 4 for additional information regarding AHP's advisory services.

Item 17 – Voting Client Securities

A. If you have, or will accept, authority to vote *client* securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6. Describe whether (and, if so, how) your *clients* can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your *clients* with respect to voting their securities. Describe how *clients* may obtain information from you about how you voted their securities. Explain to *clients* that they may obtain a copy of your proxy voting policies and procedures upon request.

By virtue of the applicable offering documents, AHP has the authority to vote proxy statements on behalf of the Fund Clients. The majority of “proxies” received by AHP are written shareholder consents or similar instruments for private companies owned by the Fund Clients. As such, AHP has adopted proxy voting policies and procedures pursuant to Advisers Act Rule 206(4)-6. AHP’s proxy voting policy seeks to ensure that it votes proxies in the best interest of the Funds with a goal towards maximizing overall value. Investors in the Fund Clients cannot direct how AHP votes proxies or shareholder consents nor is AHP required to seek investor approval or direction when voting proxies or when giving consent on any matter requiring the consent of shareholders. Information regarding how Fund Clients’ proxies have been voted in the past and a copy of AHP’s Proxy Voting Policies and Procedures will be provided by AHP to its clients upon request. AHP’s compliance team may be contacted at LegalNotices@AHPartners.com.

B. If you do not have authority to vote *client* securities, disclose this fact. Explain whether *clients* will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) *clients* can contact you with questions about a particular solicitation.

As a general rule, Fund Clients delegate the power to vote such proxies to AHP or the Fund Client’s general partner (as applicable).

Item 18 – Financial Information

A. If you require or solicit prepayment of more than \$1,200 in fees per *client*, six months or more in advance, include a balance sheet for your most recent fiscal year.

- 1. The balance sheet must be prepared in accordance with generally accepted accounting principles, audited by an independent public accountant, and accompanied by a note stating the principles used to prepare it, the basis of securities included, and any other explanations required for clarity.**
- 2. Show parenthetically the market or fair value of securities included at cost.**
- 3. Qualifications of the independent public accountant and any accompanying independent public accountant's report must conform to Article 2 of SEC Regulation S-X.**

Not applicable.

B. If you have *discretionary authority* or *custody* of *client* funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per *client*, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to *clients*.

AHP is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to its Fund Clients.

C. If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.

No member of AHP has been the subject of a bankruptcy petition at any time during the past ten years (or at any time since inception).